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## Overtime Payments and Wages in Manufacturing March, 1941, and March, 1942

Increased wage rates were the most important factor in the sharp rise in average hourly earnings which occurred in manufacturing industry between March, 1941, and March, 1942. Changes in payments for overtime and other monetary compensation had less influence than increased rates on the rise in the over-all average.

In a comparable sample of companies in twenty-five manufacturing industries, average hourly earnings of wage earners rose 14.4% during the period. Average hourly earnings for regular work alone, or average hourly wage rates, increased 11.6%.

The average length of the work week in the twenty-five industries was 41.6 hours in March, 1941, as against 42.8 hours in March, 1942. The regular work week, or the work week for which no overtime was paid, was 0.8% shorter in March, 1942, than it was a year earlier. Overtime—the difference between the total work week and the regular work week—rose from 3.4 hours to 4.9 hours, or 44%.

The combination of increases in hourly earnings and rates with the changes in the average length of the work week resulted in an increase in weekly earnings. Between March, 1941, and March, 1942, average weekly earnings in the twenty-five manufacturing industries studied rose to \$38.07, an increase of 17.9% over the \$32.30 average in March, 1941.

For regular work average weekly earnings rose from \$28.21 in March, 1941, to \$31.26 in March, 1942, or a rise of \$3.05. Overtime and other monetary compensation increased from \$4.09 to \$6.81, or an advance of only \$2.72.

In the principal defense industries, average weekly earnings generally rose over 20%, with the exception of electrical manufacturing, where the increase was 18.2%. In foundries and machine shops total average weekly earnings as a result of overtime rose 25.6%, as against an increase of only 11.9% for regular work.

**T**HE GENERAL discussion in this report deals with the earnings and hours figures for March, 1941, and March, 1942, for a comparable sample of companies. The employees within the individual companies in these months are not necessarily comparable. Available statistical data for the period covered show that there was a high turnover rate in a large number of the industries included in the averages. Some employees whose earnings and hours were included in the March, 1941, averages left the employ of the company in which they worked at that time, and were replaced by other wage earners whose earnings and hours were included in the averages for that company in March, 1942. The train-

ing and skill of the latter may have differed from those of the workmen whose places they took. These variations would affect their earning power to a material extent and the hours worked to a lesser extent.

Furthermore, there was an increase in the total number on the staff in a majority of instances. The earnings and hours of these new employees, taken on during the interim between March, 1941, and March, 1942, were included in the averages for March, 1942. Moreover, their training, adaptability, and position affected the amounts they earned and hours they worked. In rapidly expanding industries, new hirings would include, or consist entirely of, workmen less skilled than those already



employed. Wage rates of such new employees would be at a lower average level than those of older workers.<sup>1</sup>

### HOURLY RATES AND EARNINGS

Average wage rates, or average hourly earnings for regular work, in twenty-five manufacturing industries increased 11.6% between March, 1941, and March, 1942. Total average hourly earnings, including overtime and other incentive compensation, rose 14.4% in these industries. Wage-rate increases, therefore, were the main reason for the advance in hourly earnings, while overtime and other incentive compensation played a relatively small part.

In the twenty-seven industry composite—the foregoing plus cement, and petroleum refining—average wage rates rose 11.6%, while total average hourly earnings increased 14.3%. The one-tenth of one percent difference in the latter change between the twenty-five and twenty-seven industry composites was occasioned, in the main, by the fact that there was little overtime required in the cement industry.

Individual industries included in the twenty-five and twenty-seven industry composites, with one exception, show that hourly wage-rate increases were the outstanding reason for the rise in hourly earnings between March of 1941 and of 1942. (See Table 1 and Chart 2.)

### Automobile Industry

The automobile industry, the exception, experienced an increase in hourly wage rates of only 8.3%, as against a 12.7% rise in hourly earnings.

Among the probable causes for this deviation were: first, the fact that wage rates paid in the automobile industry were already high (exceeded only by those paid in the printing, rubber, and petroleum refining industries), and that small rate increases in a high-paid industry are not surprising; and second, that the industry

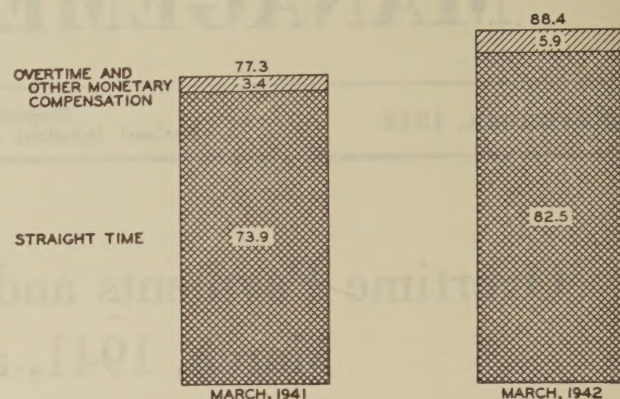
<sup>1</sup>Despite the fact that upward wage-rate changes were made in that industry over the period, the inclusion of the data applicable to the new workers tends to dampen the averages for March, 1942, and, therefore, to result in smaller percentage changes between the two periods than would have resulted had the averages been based upon a constant group of employees.

There may, on the other hand, have been instances where a company, or even an industry, which was engaged in the production of materials not particularly essential to the war effort, lost a sizable proportion of its more skilled workers to defense industries. It is possible that because of a smaller volume of business they did not replace these workers. In this example, averages for March, 1942, would probably be dampened because of the exclusion of high-rated employees and might even show a decline between March, 1941, and March, 1942. Recognizing the fact that these changes undoubtedly occurred in many industries and had their influence on the computed averages, it would have been less satisfactory to limit the study to those workers who were employed in the same company doing relatively the same work in the two periods. Such averages, it is true, would have shown considerably greater increases in average hourly earnings, hourly wage rates, and weekly earnings than those which appear in the later sections of this report. But they would have been based on a smaller group of wage earners; would have been considerably influenced by wage-rate changes resulting from promotions; and would not have been representative of the industry as a whole.

was converted to war production early in 1942. As manufacture of civilian products ceased, there was a sharp drop in employment. Hence, the earnings for

CHART 1: HOURLY EARNINGS OF WAGE EARNERS, MARCH, 1941 AND MARCH, 1942, 25 MANUFACTURING INDUSTRIES

Source: THE CONFERENCE BOARD  
In Cents



March, 1942, are applicable to a considerably smaller group of workers than those for March, 1941. Since March, 1942, marked the beginning of war production, it follows that the wage earners then employed in the industry probably worked longer hours to facilitate the change-over and pave the way for advanced employment. The 45.7 hours per week averaged per wage earner in March were higher than in any subsequent month except August, the latest available, when they were 46.0. Overtime payments were relatively high in March, 1942, as compared with those in March, 1941, and would contribute to a greater increase in total average hourly earnings.

### News and Magazine Printing Industry

The only industry to show a decline in both total average hourly earnings and average hourly wage rates between March, 1941, and March, 1942, was the news and magazine branch of the printing industry. As compiled by THE CONFERENCE BOARD, these averages exclude data applicable to New York City newspapers.<sup>1</sup>

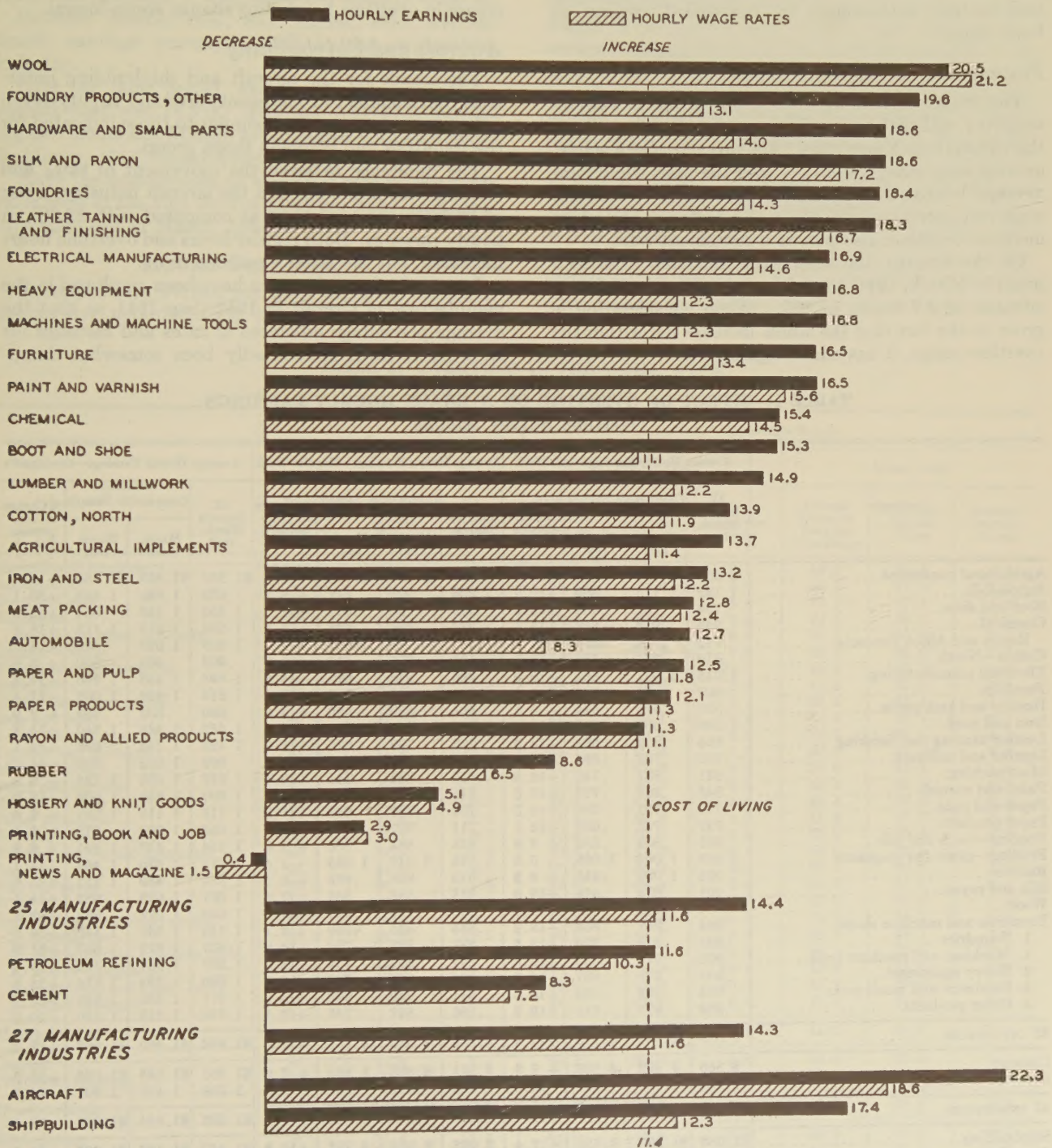
The reasons for the declines in this industry are not clear. Although employment in the sample included in THE CONFERENCE BOARD's regular monthly surveys of earnings and hours declined 0.7% between the two Marches, the comparable overtime sample (which is smaller) shows a 4.8% rise. Since total hours worked increased by a smaller percentage, it follows that the average length of the work week per wage earner declined. New employees in March, 1942, were not so well trained

<sup>1</sup>This exclusion was made because such figures from what is probably the highest paid locality in the country, if not the world, would distort the averages.



**CHART 2: PERCENTAGE CHANGES IN HOURLY EARNINGS AND HOURLY WAGE RATES, MANUFACTURING, MARCH, 1941, TO MARCH, 1942**

Source: THE CONFERENCE BOARD





as the regular workers previously employed and were paid a lower wage. It is also possible that skilled personnel were attracted to more remunerative positions with defense industries. Such a situation would undoubtedly lead to their replacement by less-skilled workers at lower rates.

### Foundries and Machine Shops

The foundries and machine shops group is heavily weighted with defense activities and naturally reflects the trends in such industries. For this group as a whole, average wage rates rose 13.1% over the year, while total average hourly earnings increased 18.4%. Although wage-rate increases were the major factor in the latter increase, overtime also played a prominent role.

On the average, the work week increased from 44.8 hours in March, 1941, to 47.5 hours in March, 1942; an advance of 2.7 hours, or 6%. When consideration is given to the fact that the whole increase fell within the overtime range, it has added significance.

Of the various sub-groups, the "other foundries products" classification showed the greatest difference, a 13.1% advance in rates, as compared with a 19.6% rise in earnings. Since this group also showed the largest increase in overtime hours, this change seems logical.

### Aircraft and Shipbuilding

The trends for the aircraft and shipbuilding industries (not included in the twenty-five and twenty-seven industry composites) were similar to those indicated for the foundries and machine shops group.

The difference between the movement of rates and earnings was pronounced in the aircraft industry; a rise of 18.6% in hourly rates, as compared with 22.3% in hourly earnings. Both regular hours and overtime hours increased, but the latter expanded more.

Larger numbers of women have been employed in the manufacture of aircraft in 1942 than 1941, so that the average percentage advances in rates and earnings for all workers have undoubtedly been somewhat damp-

TABLE 1: EFFECT OF OVERTIME ON AVERAGE HOURLY EARNINGS  
Overtime Survey Sample

INDUSTRY	Average Hourly Earnings—All Work				Average Hourly Earnings—Regular Work				Average Hourly Earnings—Overtime <sup>1</sup>			
	All Reports March, 1942	Comparable Sample		% Change in Com- parable Sample	All Reports March, 1942	Comparable Sample		% Change in Com- parable Sample	All Reports March, 1942	Comparable Sample		% Change in Com- parable Sample
		March, 1942	March, 1941			March, 1942	March, 1941			March, 1942	March, 1941	
Agricultural implement.....	\$ .952	\$ .955	\$ .840	+13.7	\$ .893	\$ .887	\$ .706	+11.4	\$1.369	\$1.368	\$1.250	+9.4
Automobile.....	1.132	1.115	.989	+12.7	1.006	.993	.917	+8.3	1.839	1.849	1.539	+20.1
Boot and shoe.....	.754	.737	.639	+15.3	.745	.708	.637	+11.1	1.200	1.246	.854	+45.9
Chemical.....	.959	.973	.843	+15.4	.937	.956	.835	+14.5	1.384	1.316	1.113	+18.2
Rayon and Allied Products.....	.784	.736	.661	+11.3	.770	.719	.647	+11.1	1.206	1.099	.962	+14.2
Cotton—North.....	.619	.631	.554	+13.9	.595	.604	.540	+11.9	.903	.905	.860	+5.2
Electrical manufacturing.....	1.015	1.037	.887	+16.9	.923	.943	.823	+14.6	1.394	1.446	1.266	+14.2
Furniture.....	.862	.856	.735	+16.5	.825	.819	.722	+13.4	1.219	1.222	1.007	+21.4
Hosiery and knit goods.....	.597	.572	.544	+5.1	.584	.559	.533	+4.9	.840	.805	.782	+2.9
Iron and steel.....	1.003	1.009	.891	+13.2	.974	.969	.864	+12.2	1.425	1.428	1.249	+14.3
Leather tanning and finishing.....	.804	.809	.684	+18.3	.783	.788	.675	+16.7	1.122	1.142	.920	+24.1
Lumber and millwork.....	.752	.763	.664	+14.9	.731	.743	.662	+12.2	.999	1.002	.693	+44.6
Meat packing.....	.821	.837	.742	+12.8	.815	.833	.741	+12.4	1.222	1.232	1.235	+3.8
Paint and varnish.....	.846	.906	.778	+16.5	.815	.874	.756	+15.6	1.207	1.242	1.099	+13.0
Paper and pulp.....	.779	.791	.703	+12.5	.734	.747	.668	+11.8	1.116	1.119	1.021	+9.6
Paper products.....	.747	.743	.663	+12.1	.711	.707	.635	+11.3	1.065	1.062	.973	+9.1
Printing—book and job.....	.885	.854	.830	+2.9	.855	.824	.800	+3.0	1.244	1.243	1.241	+0.2
Printing—news and magazine.....	1.068	1.064	1.068	-0.4	1.025	1.019	1.035	-1.5	1.671	1.670	1.464	+14.1
Rubber.....	1.066	1.030	.948	+8.6	1.019	.996	.935	+6.5	1.534	1.449	1.151	+25.9
Silk and rayon.....	.701	.675	.569	+18.6	.675	.648	.553	+17.2	1.061	1.073	.937	+14.5
Wool.....	.751	.746	.619	+20.5	.733	.726	.599	+21.2	1.049	1.072	.832	+28.8
Foundries and machine shops.....	.964	.951	.803	+18.4	.854	.835	.738	+13.1	1.349	1.330	1.142	+16.5
1. Foundries.....	.955	.912	.770	+18.4	.871	.837	.732	+14.3	1.407	1.322	1.087	+21.6
2. Machines and machine tools.....	.968	.973	.833	+16.8	.851	.852	.759	+12.3	1.307	1.331	1.115	+19.4
2. Heavy equipment.....	.983	.978	.837	+16.8	.864	.857	.763	+12.3	1.390	1.394	1.214	+14.8
4. Hardware and small parts.....	.894	.835	.704	+18.6	.811	.739	.648	+14.0	1.271	1.223	1.013	+20.7
5. Other products.....	.989	.975	.815	+19.6	.866	.847	.749	+13.1	1.349	1.312	1.190	+10.3
25 INDUSTRIES.....	\$ .889	\$ .884	\$ .773	+14.4	\$ .832	\$ .825	\$ .739	+11.6	\$1.282	\$1.280	\$1.083	+18.2
Cement.....	\$ .866	\$ .909	\$ .839	+8.3	\$ .851	\$ .893	\$ .833	+7.2	\$1.336	\$1.395	\$1.066	+30.9
Petroleum refining.....	1.098	1.061	.951	+11.6	1.084	1.047	.949	+10.3	1.582	1.499	1.202	+24.7
27 INDUSTRIES.....	\$ .891	\$ .887	\$ .776	+14.3	\$ .835	\$ .828	\$ .742	+11.6	\$1.286	\$1.284	\$1.084	+18.5
Shipbuilding.....	\$1.088	\$1.007	\$ .858	+17.4	\$ .963	\$ .884	\$ .787	+12.3	\$1.457	\$1.487	\$1.286	+15.6
Aircraft.....	.954	.971	.794	+22.3	.858	.855	.721	+18.6	1.279	1.315	1.002	+31.2

<sup>1</sup>Per wage earner who worked overtime.



ened. In general, the current policy is to pay the same rate for the same job regardless of sex. Thus, the influence of increased employment of women, except in so far as skill is concerned, will soon cease to affect changes in rates and earnings, if they have not already done so.

Between March, 1941, and March, 1942, average hourly earnings increased 17.4% in the shipbuilding industry.

Over the same period, average hourly earnings for regular work rose 12.3%. With the work week averaging 48.7 hours last March, as compared with 44.9 hours in March, 1941, longer overtime has become the rule.

Since the employment of women is rare in shipyards rates were at the high level of \$.963 per hour, and earnings at \$1.088 in March, 1942.

### HOURS PER WEEK

Average hours worked per week per wage earner in twenty-five manufacturing industries increased 2.9%

between March, 1941, and March, 1942. (See Table 2.) Average regular hours worked per week per wage earner decreased 0.8%. This decline may be attributed to several causes. The rising rate of absenteeism is one of the more important causes for the decline in the average length of the regular work week.<sup>1</sup> The tremendous increase in employment, together with the demands of the armed forces, has drawn many men into industry who have had no previous industrial experience or have been retired. For many workers it means harder manual labor, longer hours, longer work weeks, and a greater need for concentrated effort. Because of readjustment to new conditions, and under the impact of sustained work and exertion, many of these workers have been absent because of illness or fatigue. Nightshift work, now becoming prevalent, contributes to higher absenteeism. In a period of rapidly expanding production

<sup>1</sup>For a discussion of this subject see Conference Board Reports, "Studies in Personnel Policy," No. 46.

TABLE 2: OVERTIME IN THE WORK WEEK  
Overtime Survey Sample

INDUSTRY	All Reports—March, 1942			Comparable Sample					
	Average Hours per Week per Wage Earner	Average Regular Hours	Average Overtime Hours <sup>1</sup>	March, 1942			March, 1941		
				Average Hours per Week per Wage Earner	Average Regular Hours	Average Overtime Hours <sup>1</sup>	Average Hours per Week per Wage Earner	Average Regular Hours	Average Overtime Hours <sup>1</sup>
Agricultural implement.....	43.8	38.4	8.1	45.0	38.7	8.1	43.3	39.1	4.8
Automobile.....	45.6	38.7	9.6	45.7	39.2	9.7	42.8	37.8	7.7
Boot and shoe.....	38.7	38.0	3.3	40.3	38.2	3.2	38.1	37.8	4.6
Chemical.....	39.8	38.0	3.6	39.2	37.6	2.8	40.5	39.5	2.6
Rayon and allied products.....	39.6	38.5	6.3	39.1	38.0	6.0	38.9	38.0	6.1
Cotton—North.....	41.5	38.3	7.2	42.3	38.5	7.3	40.3	38.6	7.1
Electrical manufacturing.....	44.3	36.1	10.7	43.7	35.9	11.1	43.2	37.1	8.7
Furniture.....	42.1	38.2	6.3	43.0	39.0	5.9	41.5	39.6	2.9
Hosiery and knit goods.....	36.6	34.8	5.3	37.5	35.5	8.1	36.4	35.4	5.2
Iron and steel.....	40.4	37.8	6.7	41.7	38.1	6.9	41.5	38.7	6.1
Leather tanning and finishing.....	42.1	39.6	4.4	41.6	39.1	4.3	40.1	38.6	4.1
Lumber and millwork.....	41.0	37.9	6.6	41.1	37.9	6.5	40.7	37.8	7.6
Meat packing.....	37.8	37.2	3.6	37.3	37.0	2.2	38.0	37.9	1.8
Paint and varnish.....	42.6	39.6	5.7	42.7	39.5	6.8	40.9	38.6	6.0
Paper and pulp.....	42.8	37.8	6.1	42.4	37.6	6.4	42.4	38.2	6.0
Paper products.....	41.5	37.4	6.7	41.4	37.3	6.6	41.9	38.6	5.2
Printing—book and job.....	38.7	35.7	5.5	39.4	36.6	5.8	39.0	36.3	6.2
Printing—news and magazine.....	40.2	37.5	5.1	40.5	37.6	5.1	40.8	37.6	6.2
Rubber.....	38.7	35.9	4.7	37.8	35.9	3.5	37.3	36.7	5.2
Silk and rayon.....	39.3	36.7	4.8	39.0	36.4	4.2	38.9	37.3	3.6
Wool.....	39.2	36.9	5.7	40.0	37.7	6.7	41.8	38.3	7.0
Foundries and machine shops.....	47.5	38.4	10.5	47.5	38.4	10.5	44.8	38.9	8.9
1. Foundries.....	45.9	38.8	10.7	45.5	38.8	9.7	43.5	39.1	7.6
2. Machines and machine tools.....	51.3	39.2	12.9	50.8	39.1	12.5	48.1	39.5	10.6
3. Heavy equipment.....	48.5	38.2	10.6	48.7	38.7	10.2	45.2	38.3	8.0
4. Hardware and small parts.....	46.0	38.3	9.0	46.2	37.9	10.1	45.2	39.0	9.9
5. Other products.....	45.9	38.1	9.8	45.7	37.8	9.8	43.2	38.7	8.5
25 INDUSTRIES.....	42.5	37.7	7.4	42.8	37.9	7.4	41.6	38.2	6.7
Cement.....	38.5	37.3	2.5	38.2	37.0	2.6	38.8	37.8	4.7
Petroleum refining.....	39.1	38.0	7.5	39.9	38.7	9.2	38.8	38.4	6.7
27 INDUSTRIES.....	42.4	37.7	7.3	42.7	37.9	7.4	41.6	38.2	6.6
Shipbuilding.....	50.0	37.5	12.8	48.7	38.9	9.8	44.9	38.6	7.7
Aircraft.....	47.2	38.6	10.8	46.7	38.3	10.5	45.1	37.7	10.6

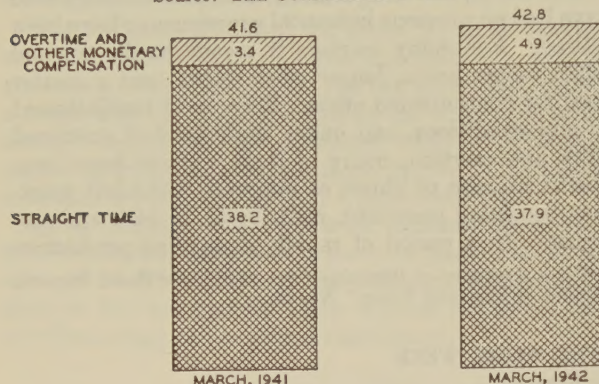
<sup>1</sup>Per wage earner who worked overtime.



and in a time when production is being pushed to the limit, industrial accidents generally show marked increases which result in loss of time worked.

CHART 3: HOURS WORKED PER WEEK PER WAGE EARNER, MARCH, 1941 AND MARCH, 1942, 25 MANUFACTURING INDUSTRIES

Source: THE CONFERENCE BOARD



A second possible cause for the decline in regular hours worked may be found in the fact that while some concerns find it necessary to greatly increase the average length of their work week and thus experience considerable overtime work, other concerns, sometimes within the same industry, for one reason or another reduce the length of their work week. If those companies that find it necessary to expand their work week had already been operating close to or above the greatest possible length of the regular work week (i.e. forty hours, with normal deductions for lost time) then total hours could rise for industry as a whole while regular hours worked could decline, as is the case in this study.

Another possible cause for the decline in the regular work week may be found in the union agreements made during the past few years which provide for time and a half and double time pay for Saturday, Sunday, and holiday work, even though those working on these days do not work over forty hours during the week in question. As 24-hour-day and 7-day-week operations increased and as these union agreements increased, the portion of the average work week for which overtime payments (as defined by this study) were made increased and the portion for which regular wages were paid declined.<sup>1</sup>

<sup>1</sup>Recently, at the order of President Roosevelt, time and one-half and double-time pay for Saturday, Sunday and holiday work was forbidden, with certain exceptions, as follows: "Where because of emergency conditions an employee is required to work for seven consecutive days in any regularly scheduled work week a premium wage of double-time compensation shall be paid for work on the seventh day. Where required by the provisions of law or employment contracts, not more than time and one-half wage compensation shall be paid for work in excess of eight hours in any day or forty hours in any work week or for work performed on the sixth day worked in any regularly scheduled work week." Time and one-half wage compensation is to be

From March, 1941, to March, 1942, average hours worked per week per wage earner in twenty-seven manufacturing industries increased 2.6%, while regular hours worked declined 0.8%. The smaller increase in total hours worked per week per wage earner as compared to the twenty-five industry composite is due to a 1.5% decrease in total hours worked per week in the cement industry.

The average length of the work week in the shipbuilding industry increased 8.5% between March, 1941, and March, 1942. This is the largest increase shown by any industry studied during this period, which might be expected inasmuch as the shipbuilding industry is one of the major war industries and has experienced difficulty in obtaining all the labor required for the enlarged shipbuilding program. There was also an expansion in the average regular work week in the shipbuilding industry. In March, 1941, the average length of the regular work week was 38.6 hours, and only 80% of the workers received overtime compensation. In March, 1942, the regular work week was 38.9 hours, and all except 0.2% of the workers received some overtime compensation. Since all shipyards covered by the study showed increases in the average total number of hours worked per week per wage earner, and since by March, 1942, virtually every employee was working overtime, it is not surprising to find that the length of the regular work week in this industry had increased during a period when the majority of other industries were showing a decline.

The aircraft industry record is similar to that of shipbuilding. Average hours worked per week per wage earner in the aircraft industry increased 3.5% from March, 1941, to March, 1942. The increase in regular hours worked was 1.6%. The aircraft industry failed to show as large an increase in the work week as the shipbuilding industry.

Despite enormous increases in employment and output in the aircraft industry only 80% of the employees received any overtime compensation in March, 1942, as compared with 70% who received such compensation in March, 1941. In shipbuilding, 99.8% of the wage earners covered by this study received overtime compensation in March, 1942. As the average length of the regular work week in March, 1941, in the aircraft industry was only 37.7 hours, the 1.6% increase to 38.3 hours in March, 1942, was to be expected.

paid on the following holidays only: New Year's Day, Fourth of July, Labor Day, Thanksgiving Day, and Christmas Day, and either Memorial Day or one other such holiday of greater local importance. Since the issuance of this executive order, another order has been issued giving the Secretary of Labor the right to waive the original order in specific cases. Miss Perkins promptly issued a statement to the effect that the order would only apply to industries engaged in war work. Although the above described actions regarding premium payments occurred outside of the period of the study, March, 1941, to March, 1942, they are significant in consideration of the future trends in the average length of the regular work week and in overtime payments.



Substantial increases in the work week were shown by other war industries, such as the automobile, foundry, machine and machine tool, heavy equipment, and the miscellaneous foundry and machine shop products industries. In the automobile and heavy equipment industries, the regular work week was longer.

Only six of the twenty-nine industries covered showed declines in total hours per week per wage earner. The largest decline was 4.3% in the wool industry, which also experienced a drop in employment, indicating the effect of supply shortages and other war factors. The other five industries which showed declines in the total work week were chemical, meat packing, paper products, news and magazine printing, and cement.

Overtime work is not precluded by a short work week, as may be seen in Table 2 where some industries having a total average work week of less than forty hours show varying amounts of overtime. It is almost impossible for average regular hours per week per wage earner to equal forty, because lost time, part-time work and other factors tend to reduce the average anywhere from a fraction to one or two hours below forty a week. Although a great many employees work less than forty hours per week, they may still be in the overtime class because of time worked over eight hours a day.<sup>1</sup>

### WEEKLY RATES AND EARNINGS

Weekly earnings of wage earners in twenty-five manufacturing industries increased on the average 17.9% between March, 1941, and March, 1942. During the same period, average weekly rates (average weekly earnings excluding overtime payments and other monetary compensation) increased 10.8%. The increase in weekly earnings was due in a small part to the lengthening of the work week by 2.9%, but it was mostly the result of a 14.4% increase in the hourly earnings of the workers

<sup>1</sup>During the period of the study, workers in many plants having work weeks of forty hours or less received a good share of overtime pay for work on Saturdays, Sundays, and holidays when their shifts covered those days. Furthermore, plants operating seven days a week have a certain percentage of men always engaged on Saturday, Sunday and holiday shifts.

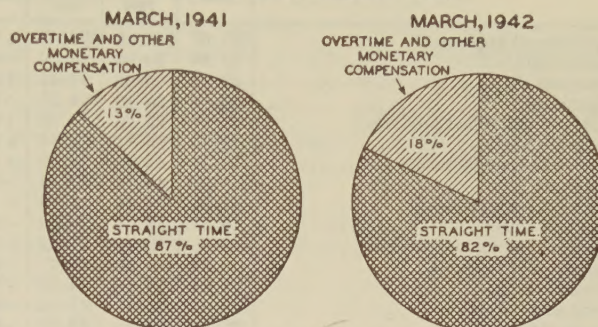
In some industries, the work week was shortened by employer-employee agreements to less than forty hours a week, and employment of a worker for more than the specified week required overtime payment. An excellent example is the petroleum refining industry. Since the days of the NRA, the accepted work week in this industry has been thirty-six hours. It was not until last spring, after the conclusion of the collection of data for this study, that the first deviations from this practice appeared. Therefore, during the period of the study, any man working more than thirty-six hours a week in the petroleum refining industry received overtime compensation. A similar arrangement has existed in some rubber plants. In some branches of the book and job printing industry, agreements call for thirty-five and thirty-seven and one-half hour weeks, with payment of overtime for longer hours.

The average overtime hours shown in Table 2 are for wage earners who worked overtime. In some industries the overtime work may have been concentrated in a small group of workers in a few plants, or in the majority of the workers of a single plant. Thus, it would be possible for an industry as a whole to work somewhat below the hourly limit at which overtime payments begin, and still show sizable average overtime hours for wage earners who worked overtime.

involved. The effect of overtime payments is more noticeable in weekly than in hourly earnings, for both the wage-rate increases and the increase in hours contrib-

CHART 4: COMPONENTS OF WAGE EARNER'S WEEKLY EARNINGS, 25 MANUFACTURING INDUSTRIES

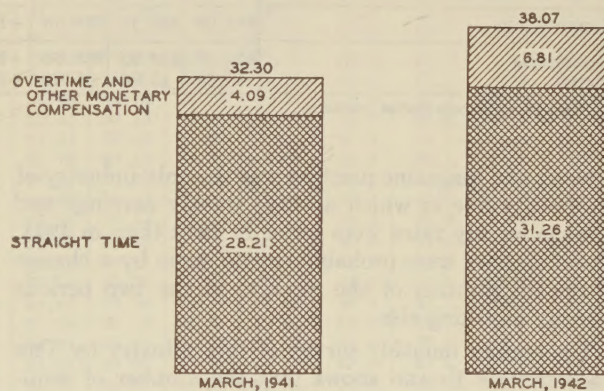
Source: THE CONFERENCE BOARD



uted to the higher total weekly earnings. Thus, the increase of 10.8% in average weekly rates is considerably less than that increase in weekly earnings because hourly rates were somewhat lower than hourly earnings, and because regular hours worked per week fell 0.8%.

CHART 5: WEEKLY EARNINGS OF WAGE EARNERS IN 25 MANUFACTURING INDUSTRIES, MARCH, 1941, AND MARCH, 1942

Source: THE CONFERENCE BOARD  
In Dollars



Overtime weekly earnings in the twenty-five industries also rose in the year period. Increases in both overtime earnings per hour and average overtime hours a week contributed to a gain of 33.2% in the weekly earnings, per wage earner who worked overtime, in March, 1942, over such earnings in 1941.<sup>1</sup>

<sup>1</sup>Living costs were 11.4% higher and dollar weekly earnings were 17.9% higher in March, 1942, than they were in March, 1941. As a result, "real" weekly earnings (weekly earnings in terms of the commodities and services they will purchase) advanced 5.8% in the period. See also *The Conference Board Management Record*, April, 1942, p. 118.



TABLE 3: EFFECT OF OVERTIME ON AVERAGE WEEKLY EARNINGS  
Overtime Survey Sample

INDUSTRY	Average Weekly Earnings—All Work				Average Weekly Earnings—Regular Work				Average Weekly Earnings—Overtime <sup>1</sup>			
	All Reports March, 1942	Comparable Sample		%Change in Com- parable Sample	All Reports March, 1942	Comparable Sample		%Change in Com- parable Sample	All Reports March, 1942	Comparable Sample		%Change in Com- parable Sample
		March, 1942	March, 1941			March, 1942	March, 1941			March, 1942	March, 1941	
Agricultural implement.....	\$41.67	\$42.98	\$36.41	+18.0	\$34.30	\$34.32	\$31.13	+10.2	\$11.07	\$11.07	\$6.00	+84.5
Automobile.....	51.59	50.89	42.30	+20.3	38.91	38.91	34.69	+12.2	17.69	18.01	11.91	+51.2
Boot and shoe.....	29.21	29.68	24.31	+22.1	28.30	27.04	24.05	+12.4	4.01	4.00	3.94	+1.5
Chemical.....	38.17	38.13	34.18	+11.6	35.57	35.98	33.00	+9.0	4.93	3.75	2.85	+31.6
Rayon and allied products.....	31.07	28.78	25.68	+12.1	29.63	27.36	24.60	+11.2	7.55	6.62	5.85	+13.2
Cotton—North.....	25.65	26.71	22.36	+19.5	22.82	23.27	20.84	+11.7	6.49	6.63	6.07	+9.2
Electrical manufacturing.....	45.01	45.27	38.29	+18.2	33.34	33.83	30.59	+10.6	14.96	16.02	10.98	+45.9
Furniture.....	36.30	36.79	30.49	+20.7	31.48	31.89	28.59	+11.5	7.67	7.22	2.88	+150.7
Hosiery and knit goods.....	21.85	21.46	19.79	+8.4	20.31	19.85	18.88	+5.1	4.46	6.53	4.11	+58.9
Iron and steel.....	40.53	42.02	36.99	+13.6	36.82	36.94	33.46	+10.4	9.52	9.79	7.62	+28.5
Leather tanning and finishing.....	33.85	33.71	27.43	+22.9	31.01	30.81	26.08	+18.1	4.95	4.87	3.80	+28.2
Lumber and millwork.....	30.82	31.38	27.07	+15.9	27.69	28.15	25.05	+12.4	6.57	6.55	5.27	+24.3
Meat packing.....	31.04	31.22	28.23	+10.6	30.33	30.78	28.10	+9.5	4.46	2.82	2.16	+30.6
Paint and varnish.....	36.04	38.71	31.84	+21.6	32.22	34.50	29.22	+18.1	6.87	8.50	6.58	+29.2
Paper and pulp.....	33.31	33.55	29.83	+12.5	27.74	28.06	25.51	+10.0	6.83	7.21	6.10	+18.2
Paper products.....	31.02	30.77	27.81	+10.6	26.61	26.39	24.50	+7.7	7.19	7.05	5.04	+39.9
Printing—book and job.....	34.26	33.67	32.38	+4.0	30.54	30.18	29.04	+3.9	6.87	7.16	7.73	-7.4
Printing—news and magazine.....	42.90	43.06	43.55	-1.1	38.41	38.33	38.94	-1.6	8.53	8.59	9.03	-4.9
Rubber.....	41.27	38.96	35.39	+10.1	36.57	35.73	34.30	+4.2	7.18	5.08	6.03	-15.8
Silk and rayon.....	27.59	26.32	22.14	+18.9	24.80	23.60	20.63	+14.4	5.04	4.54	3.38	+34.3
Wool.....	29.41	29.84	25.84	+15.5	27.04	27.39	22.92	+19.5	5.96	7.23	5.84	+23.8
Foundries and machine shops.....	45.81	45.19	35.99	+25.6	32.83	32.08	28.67	+11.9	14.22	13.94	10.20	+36.7
1. Foundries.....	43.85	41.52	33.51	+23.9	33.79	32.45	28.57	+13.6	15.00	12.79	8.31	+53.9
2. Machines and machine tools.....	49.68	49.43	40.11	+23.2	33.36	33.33	29.95	+11.3	16.90	16.63	11.85	+40.3
3. Heavy equipment.....	47.66	47.60	37.81	+25.9	32.99	33.13	29.28	+13.1	14.69	14.19	9.66	+46.9
4. Hardware and small parts.....	41.09	38.62	31.79	+21.5	31.09	28.01	25.31	+10.7	11.44	12.38	10.06	+23.1
5. Other products.....	45.33	44.60	35.19	+26.7	33.00	32.07	29.01	+10.5	13.21	12.82	10.09	+27.1
25 INDUSTRIES.....	\$38.06	\$38.07	\$32.30	+17.9	\$31.41	\$31.26	\$28.21	+10.8	\$9.69	\$9.71	\$7.29	+33.2
Cement.....	\$33.35	\$34.73	\$32.55	+6.7	\$31.76	\$33.07	\$31.44	+5.2	\$3.33	\$3.66	\$5.05	-27.5
Petroleum refining.....	42.95	42.36	36.89	+14.8	41.16	40.54	36.41	+11.3	11.79	13.76	8.02	+71.6
27 INDUSTRIES.....	\$38.09	\$38.10	\$32.36	+17.7	\$31.54	\$31.39	\$28.34	+10.8	\$9.67	\$9.73	\$7.28	+33.7
Shipbuilding.....	\$54.43	\$49.08	\$38.52	+27.4	\$36.13	\$34.39	\$30.36	+13.3	\$18.66	\$14.58	\$9.90	+47.3
Aircraft.....	45.09	45.36	35.84	+26.6	33.15	32.75	27.21	+20.4	13.77	13.77	10.62	+29.7

<sup>1</sup>Per wage earner who worked overtime.

News and magazine printing was the only industry of the twenty-five in which average weekly earnings and average weekly rates were lower in 1942 than in 1941. These declines were probably caused more by a change in the distribution of the workers in the two periods than by anything else.

The regular monthly survey of this industry by THE CONFERENCE BOARD shows that the number of semi-skilled and skilled male workers, who had comprised almost 70% of all workers in 1941, was reduced to less than 68% of all workers in 1942. The decline in the number of workers in this class indicates a sizable increase in the number of female and unskilled male workers in the same period. It is logical, therefore, to find that hourly wage rates were 1.5% lower in 1942. As there was no change from 1941 in the number of straight-time hours worked, these reduced rates caused weekly wage rates to decline 1.6%. The number of overtime workers was slightly larger in 1942, but the aver-

age number of overtime hours per person who worked overtime was reduced. These workers undoubtedly fell in the most highly skilled group in 1942, since their overtime earnings per hour were 14.1% higher than in March, 1941. The effect of the higher overtime hourly earnings in 1942 was more than offset by the smaller number of hours of overtime worked, and average weekly overtime earnings per overtime employee declined 4.9%. Average weekly earnings in the news and magazine industry, therefore, showed the effect of both lower weekly rates and lower overtime earnings per week, declining 1.1%.

Weekly earnings of workers in the remaining twenty-four industries averaged from 4.0% to 26.7% higher in March, 1942, than in 1941. The median rise of 18.2% was in electrical manufacturing. When ranked according to percentage changes, four of the foundry and machine shop branches head the list. This results from sizable wage-rate increases, substantially longer work-



ing hours per week, and a larger number of wage earners working overtime. The other two industries in the upper quarter (based upon changes in weekly earnings) were the leather tanning and finishing, and boot and shoe industries. In both these industries, average weekly earnings in 1941 and 1942 were lower than the average for the twenty-five industries combined.

In both the cement and petroleum industries average weekly earnings and rates rose over the year period. These changes, combined with those in the twenty-five industries, resulted in a gain of 17.7% in weekly earnings in the twenty-seven industries in 1942 and one of 10.8% in weekly rates. The marked decline in weekly overtime earnings of overtime workers in the cement industry was more than offset by the very large rise for such workers in petroleum refining. This brought a greater rise in overtime weekly earnings of overtime workers in the twenty-seven industries than was recorded in the twenty-five industries.

In the rayon and allied products division of the chemical industry, advances were recorded from 1941 to 1942 in all hourly rates and earnings, and hours series, except the average number of overtime hours worked per wage earner working overtime. These increases served to raise March, 1942, weekly earnings, rates and overtime earnings well above their 1941 levels.

Rises in weekly earnings and weekly rates, as might be expected, were even greater in the shipbuilding and aircraft industries than in the twenty-five and twenty-seven industry composites. Likewise, all the components of these data, namely, the series on hourly rates and earnings and on hours, showed appreciable increases.

In the year-period from March, 1941, to March, 1942, average weekly earnings advanced in twenty-nine of the thirty industries (including rayon and allied products as a separate industry) and average weekly wage rates rose in the same twenty-nine industries. Average weekly

TABLE 4: EARNINGS AND HOURS; ALL WAGE EARNERS  
Comparison of Regular Survey Sample with Overtime Survey Sample

INDUSTRY	Average Hourly Earnings				Average Weekly Earnings				Average Hours per Week per Wage Earner			
	Regular Survey		Overtime Survey (Comparable Sample)		Regular Survey		Overtime Survey (Comparable Sample)		Regular Survey		Overtime Survey (Comparable Sample)	
	March, 1941	March, 1942	March, 1941	March, 1942	March, 1941	March, 1942	March, 1941	March, 1942	March, 1941	March, 1942	March, 1941	March, 1942
Agricultural implement.....	\$ .843	\$ .963	\$ .840	\$ .955	\$34.84	\$40.86	\$36.41	\$42.98	41.3	42.4	43.3	45.0
Automobile.....	1.005	1.246	.989	1.115	41.31	56.69	42.30	50.89	41.1	45.5	42.8	45.7
Boot and shoe.....	.558	.644	.639	.737	21.24	25.99	24.31	29.68	38.1	40.4	38.1	40.3
Chemical.....	.800	.918	.843	.973	32.70	37.35	34.18	38.13	40.9	40.7	40.5	39.2
Rayon and allied products.....	.741	.840	.661	.736	29.37	32.93	25.68	28.78	39.7	39.2	38.9	39.1
Cotton—North.....	.528	.626	.554	.631	21.21	26.08	22.36	26.71	40.2	41.7	40.3	42.3
Electrical manufacturing.....	.841	.981	.887	1.037	36.93	44.75	38.29	45.27	43.9	45.6	43.2	43.7
Furniture.....	.713	.840	.735	.856	29.85	35.75	30.49	36.79	41.9	42.6	41.5	43.0
Hosiery and knit goods.....	.567	.609	.544	.572	21.14	23.20	19.79	21.46	37.3	38.1	36.4	37.5
Iron and steel.....	.877	1.001	.891	1.009	33.76	38.14	36.99	42.02	38.5	38.1	41.5	41.7
Leather tanning and finishing.....	.670	.771	.634	.809	26.51	31.94	27.43	33.71	39.5	41.4	40.1	41.6
Lumber and millwork.....	.764	.857	.664	.763	30.89	35.14	27.07	31.38	40.4	41.0	40.7	41.1
Meat packing.....	.694	.801	.742	.837	26.66	31.44	28.23	31.22	38.4	39.2	38.0	37.3
Paint and varnish.....	.751	.851	.778	.906	30.53	35.03	31.84	38.71	40.6	41.2	40.9	42.7
Paper and pulp.....	.687	.787	.703	.791	29.40	34.21	29.83	33.55	42.8	43.5	42.4	42.4
Paper products.....	.635	.725	.663	.743	26.04	29.81	27.81	30.77	41.0	41.1	41.9	41.4
Printing—book and job.....	.844	.864	.830	.854	34.48	35.52	32.38	33.67	40.9	41.1	39.0	39.4
Printing—news and magazine.....	.985	.995	1.068	1.064	37.76	38.47	43.55	43.06	38.3	38.7	40.8	40.5
Rubber.....	.898	.986	.948	1.030	34.47	39.26	35.39	38.96	38.4	39.8	37.3	37.8
Silk and rayon.....	.528	.625	.569	.675	20.39	25.91	22.14	26.32	38.6	41.4	38.9	39.0
Wool.....	.644	.756	.619	.746	25.75	29.31	25.84	29.84	40.0	38.8	41.8	40.0
Foundries and machine shops.....	.802	.954	.803	.951	36.36	45.21	35.99	45.19	45.3	47.4	44.8	47.5
1. Foundries.....	.785	.933	.770	.912	33.80	42.53	33.51	41.52	43.1	45.6	43.5	45.5
2. Machines and machine tools.....	.812	.965	.833	.973	40.41	48.80	40.11	49.43	49.8	50.6	48.1	50.8
3. Heavy equipment.....	.846	.997	.837	.978	37.92	47.80	37.81	47.60	44.8	48.0	45.2	48.7
4. Hardware and small parts.....	.749	.889	.704	.835	33.65	41.28	31.79	38.62	44.9	46.5	45.2	46.2
5. Other products.....	.801	.948	.815	.975	34.90	43.72	35.19	44.60	43.6	46.1	43.2	45.7
25 INDUSTRIES.....	\$ .769	\$ .888	\$ .773	\$ .884	\$31.80	\$38.14	\$32.90	\$38.07	41.2	42.7	41.6	42.8
Cement.....	\$ .687	\$ .764	\$ .839	\$ .909	\$26.58	\$29.84	\$32.55	\$34.73	38.7	39.0	38.8	38.2
Petroleum refining.....	.983	1.139	.951	1.061	36.02	43.38	36.89	42.36	36.6	38.1	38.8	39.9
27 INDUSTRIES.....	\$ .771	\$ .891	\$ .776	\$ .887	\$31.82	\$38.15	\$32.36	\$38.10	41.2	42.6	41.6	42.7
Shipbuilding.....	\$ .859	\$1.072	\$ .858	\$1.007	\$38.27	\$51.50	\$38.52	\$49.08	44.5	48.0	44.9	48.7
Aircraft.....	n.a.	.930	.794	.971	n.a.	45.01	35.84	45.36	n.a.	48.4	45.1	46.7

n.a. Not available



TABLE 5: EMPLOYMENT, MAN HOURS, AND PAYROLLS—PERCENTAGE CHANGES  
Comparison of Regular Survey Sample with Overtime Survey Sample

INDUSTRY	Employment		Total Man Hours Worked		Payrolls	
	March, 1941 to March, 1942		March, 1941 to March, 1942		March, 1941 to March, 1942	
	Regular Survey	Overtime Survey <sup>1</sup>	Regular Survey	Overtime Survey <sup>1</sup>	Regular Survey	Overtime Survey <sup>1</sup>
Agricultural implement.....	+19.9	+11.0	+23.2	+15.3	+40.5	+31.0
Automobile.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Boot and shoe.....	+ 9.5	+ 4.7	+16.0	+10.8	+33.9	+27.8
Chemical.....	+17.0	+13.5	+16.4	+ 9.7	+33.6	+26.6
Cotton—North.....	+ 8.6	+ 7.1	+12.7	+12.5	+33.3	+28.0
Electrical manufacturing.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Furniture.....	+ 7.4	+10.5	+ 9.3	+14.5	+23.7	+33.3
Hosiery and knit goods.....	- 6.8	- 4.1	- 4.8	- 1.2	+ 2.3	+ 4.0
Iron and steel.....	+ 5.7	+ 1.2	+ 4.5	+ 1.5	+19.4	+15.0
Leather tanning and finishing.....	+ 5.0	+ 6.6	+10.1	+10.8	+26.4	+31.0
Lumber and millwork.....	- 1.0	+ 1.5	+ 0.5	+ 2.5	+12.6	+17.7
Meat packing.....	+23.4	+22.1	+26.0	+19.7	+45.6	+35.1
Paint and varnish.....	+12.9	+11.9	+14.5	+16.8	+29.4	+36.0
Paper and pulp.....	+ 7.6	+ 9.9	+ 9.4	+ 9.9	+25.3	+23.6
Paper products.....	+19.8	+ 7.5	+19.9	+ 6.2	+37.0	+19.0
Printing—book and job.....	+ 7.4	+12.7	+ 7.9	+14.0	+10.7	+17.2
Printing—news and magazine.....	- 0.7	+ 4.8	+ 0.4	+ 4.0	+ 1.2	+ 3.7
Rubber.....	+ 8.2	+11.0	+12.1	+12.5	+23.3	+22.2
Silk and rayon.....	- 7.3	- 5.3	- 0.7	- 5.2	+17.8	+12.6
Wool.....	- 3.3	- 6.6	- 6.2	-10.6	+10.1	+ 7.8
Foundries and machine shops.....	+44.5	+36.4	+51.3	+44.6	+79.6	+71.3
1. Foundries.....	+32.9	+29.1	+40.5	+35.0	+66.9	+59.9
2. Machines and machine tools.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
3. Heavy equipment.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
4. Hardware and small parts.....	+19.1	+27.4	+23.4	+30.5	+46.2	+54.9
5. Other products.....	+37.1	+21.8	+45.0	+29.0	+71.7	+54.4
25 INDUSTRIES.....	+15.7	+11.4	+19.9	+14.6	+38.7	+31.3

n.a. Not available for publication. Included in total indexes.  
<sup>1</sup> Comparable sample.

overtime earnings of those who worked overtime in 1942 were higher than the 1941 average in twenty-six industries.

### OVERTIME AND REGULAR SURVEYS COMPARED

Since all the previous discussion with regard to the changes which have taken place in earnings and hours between March, 1941, and March, 1942, has been based upon this special overtime survey, and especially upon the comparable sample portion, comparisons should be made between results obtained in the same two periods from THE CONFERENCE BOARD's regular monthly surveys and the averages in the comparable sample. As previously indicated, the regular monthly surveys have not been designed to show overtime payments and other monetary compensation as separate items. Hence, the following comparisons must be limited to average hourly earnings, average weekly earnings, average hours per week per wage earner, employment, total man hours, and payrolls.

#### Earnings and Hours

The averages of both earnings and hours in the comparable overtime survey and in the regular monthly survey are strikingly similar for the twenty-five and

twenty-seven manufacturing industry composites. This can best be illustrated by the following recapitulation from Table 4:

Group	25 Industries		27 Industries	
	Regular Survey	Overtime Survey	Regular Survey	Overtime Survey
<i>Hourly Earnings</i>				
March, 1941.....	\$ .769	\$ .773	\$ .771	\$ .776
March, 1942.....	.888	.884	.891	.887
<i>Weekly Earnings</i>				
March, 1941.....	\$31.80	\$32.30	\$31.82	\$32.36
March, 1942.....	38.14	38.07	38.15	38.10
<i>Hours per Week</i>				
March, 1941.....	41.2	41.6	41.2	41.6
March, 1942.....	42.7	42.8	42.6	42.7

As might be expected, however, individual industries show more marked deviations in some instances (see Table 4). For example, in petroleum refining (where the overtime sample was larger than the regular monthly sample), hourly earnings were lower in the overtime sample; average hours per week, higher; and weekly earnings, higher in March, 1941, and lower in March, 1942. In shipbuilding, on the other hand, where the comparable sample is somewhat less than one-half the regu-



lar monthly sample, average hourly earnings in the comparable sample increased less, while average hours per week per wage earner increased more, than those in the regular monthly sample.

The comparable overtime sample for the automobile industry shows average hourly earnings which are lower than those in the regular survey. This is largely due to the fact that data from the Automobile Manufacturers Association were used in compiling the monthly data which, therefore, are representative of the whole industry in contrast to the partial sample in the study.

Thus, the differences which appear in Table 4 are caused by variations in the samples upon which the two surveys are based. In general, however, the comparability is excellent.

### *Employment, Payrolls and Man Hours*

The most marked differences between changes in the regular monthly surveys and in the comparable overtime sample occur in employment, payrolls, and man hours (Table 5). Such deviations are to be expected since production under war requirements is influenced by so many factors that no one plant is comparable to any other from the standpoint of these particular statistics. When they are reduced to average hourly and weekly earnings and average hours per week per worker, most of the differences disappear. This is logical as industries tend to adopt new techniques and equipment as they are developed, and wage rates and hours of work

tend to be fairly uniform in the same areas, especially in well-organized industries.

As previously mentioned, employment, payrolls and man hours do not show any marked uniformity. Factors affecting changes in employment in plants of the same industry are the volume of unfilled orders, the supply of suitable labor, the proximity to sources of raw materials, adequacy of transportation facilities to bring in raw materials, age and condition of machinery, ability to secure new equipment, etc. These same factors naturally affect payrolls and man hours since they are largely dependent on changes in employment.

### *Twenty-five Industries*

When data for individual industries are combined into totals for twenty-five manufacturing industries, the differences compensate each other to some extent. As a result, employment in the plants of companies reporting comparable figures for March, 1941, and March, 1942, for the overtime study rose 11.4%, as against a 15.7% increase in the regular monthly surveys. Similarly, the rise in man hours was 14.6%, as against 19.9%, while the increase in payrolls was 31.3% as against 38.7%.

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## Appendix: Sources and Methods

### INFORMATION COLLECTED

Each manufacturer was asked to furnish payroll data for two periods—March, 1941, and March, 1942—on the questionnaire form shown below. The payroll data requested were:

1. Total number of workers in the plant
2. Total number of hours actually worked
3. Total payrolls disbursed during the period
4. Total number of hours worked at the straight time rates

### SPECIAL PAYROLL SCHEDULE TO DETERMINE EFFECT OF OVERTIME ON EARNINGS

NAME AND ADDRESS:		Number of plants covered by this report _____	
		Payroll period: _____	
		Weekly _____ Semi-monthly _____	
		Two-weekly _____ Monthly _____	
		Number of working days covered by this report _____	
		Dates covered by this report: _____	
		From _____ To _____ Inclusive	
Please complete A, B, C, E, and F for all wage earners	Number of Wage Earners	Total Hours worked* by wage earners this period. (By group)	Actual Payrolls of this period (Nearest dollar by group)
A. Regular work on which no overtime premium was earned (including piece work)			
B. Overtime at time and one-half rate.			
C. Overtime at double time rate.			
D. Total overtime. (Please specify)			
E. Other monetary compensation. (specify)			
F. Total.			

\* Do not include time equivalent of hours paid for but not worked.  
Please Mail Schedule to: Mr. R.A. Sayre, The Conference Board, 257 Park Avenue, New York City

5. Payments for straight time
6. Number of wage earners who worked overtime
7. Total number of hours of overtime worked
8. Total payments for overtime, including both the straight time portion and the bonus portion.

In addition, information on other monetary compensation, which is included in total payrolls, was requested. Among the items reported in this category were second and third shift allowances, efficiency and production bonuses, attendance and punctuality bonuses, and cost of living and piece-work bonuses. Where payments for health benefits, vacations or lunches were reported they were excluded from the averages. Payments in kind, such as housing, medical care and lunches were also excluded.

### COVERAGE

Payroll data were requested from approximately 1,600 plants in twenty-nine manufacturing industries. Some companies could not furnish the information, since it was not readily available from their records; and reports of others could not be used. Among the latter were combined reports submitted by companies whose operations fell in more than one industry; those which did not segregate data for wage earners from those for clerical help; and others applicable to some month other than March. On the other hand, greater coverage was secured because a number of companies reported



for plants operated by them but not included in the regular monthly survey.

Since some companies could report for March, 1942, only, two samples of data were available for that month, one covering all reports and one comparable with the data for March, 1941. Despite these discrepancies between the number of companies in the regular monthly survey and those in the special survey, the number of workers upon which the averages for the more complete 1942 sample are based is 88.4% of the number in the regular monthly survey. The 1942 averages, comparable with those for 1941, are based upon 57.9% of all workers covered by the regular March, 1942, survey. These percentages are obtained from the actual totals reported to THE CONFERENCE BOARD and do include workers reported indirectly to the Board through the Automobile Manufacturers Association and the American Iron and Steel Institute.

In some instances, companies were unable to report the number of wage earners who worked overtime but could report overtime hours and earnings. Here it was necessary to estimate the total number of workers in a particular sample of companies who worked overtime on the basis of the proportional relationship between the incomplete overtime report for hours and payrolls to the complete overtime report for wage earners, hours, and payrolls.

#### METHODS EMPLOYED

All reports were divided into four groups: companies reporting complete data for both years; companies reporting complete data for 1942 only; companies reporting for both years but unable to give overtime employment; and companies reporting for 1942 only and unable to give overtime employment. They were then sorted by industry and com-

pared with the regular wage reports for the same month. Where discrepancies occurred further clarification was requested from the reporting company. All data were reduced to a weekly basis.

Totals were taken for each of these groups for each industry, and averages were computed for all reports in 1942 and for the 1941-1942 comparable samples. These averages include average hourly wage rates, average overtime earnings per hour, and average hourly earnings. Average straight hours of work per week per wage earner, average overtime hours of work per week per wage earner who worked overtime, and average hours of work per week per wage earner were also computed. In addition, average weekly wage rates, average weekly overtime earnings of workers who worked overtime, and average weekly earnings of all workers were computed.

The averages for the twenty-five and twenty-seven industries combined were weighted averages of the individual industries. They were combined on the basis of the 1923 employment in each industry to insure comparability with the averages in the regular monthly surveys, which are on this basis.

Percentages of change from March, 1941, to March, 1942, in hourly and weekly earnings of all workers were computed for both the regular survey and the comparable sample of this survey. Similar percentage changes in employment, man hours, and payrolls were computed. The percentages of change in employment in the comparable sample were converted to index numbers (March, 1941=100), and weighted in accordance with 1923 employment to obtain indexes for the twenty-five and twenty-seven industries. Percentage changes in total man hours and payrolls for the twenty-five and twenty-seven industries combined were derived, first, from changes in employment and average hours per week, and, second, from employment and average weekly earnings.

## When the Corporation Gives to Charity

AS A RESULT of increasing pressure on corporations to contribute to national and international war relief agencies, as well as to more local charities, many executives today are restudying their company policy. What is the responsibility of the corporation in regard to appeals? Which among the agencies soliciting funds should be supported? How much should be given?

Management usually wants to do "what is right," but this requires definition. A generous impulse opens the purse of an individual, but the purse held by corporation directors belongs to the company's shareholders, whose interests must be considered. It is generally agreed that some benefit to the stockholders must be anticipated in justification of gifts made by a corporation as an entity.

Determination of company policy as to charitable contributions is a comparatively new problem because only recently in the history of corporate existence has

the corporation been asked to contribute to private welfare agencies. Before the first World War, organized industry was scarcely in the philanthropic picture save for scattered gifts made to the YMCA, particularly for the building programs of industrial YMCAs. Here a direct justification for contributions could be established on the basis of service to company employees.

During 1918, war chests which were established to raise money for war service agencies were supported generously by corporations. This was largely the result of a carefully planned money-raising technique which included corporations as potential contributors and pointed out reasons for their participation in campaigns.

Community chests, which were an outgrowth of the war chests, took over the technique developed by the latter. The basis of the community chest appeal is the assumption that every person in the community has an



obligation to support organized activities directed toward improvement of the welfare of the community as a whole.

Corporations, it is urged, have a similar obligation to contribute toward the support of voluntary community welfare organizations. Industrial concerns, the argument proceeds, have helped create the problems that charities are organized to solve. The corporation in many instances is responsible for bringing together large aggregations of people. As communities become larger, certain social maladjustments develop—increased delinquency, sickness, poverty. Unless these are handled, it becomes increasingly difficult to do business.

#### GOVERNMENT VS. PRIVATE AGENCIES

Social needs are met chiefly through two mediums—governmental agencies supported by taxation and voluntary agencies supported by contributions. As government does more, voluntary agencies need do less, and *vice versa*. The corporation supports its share of the government-administered services through the taxes it pays. Contributions to voluntary agencies make up the remainder of the costs of welfare services. Should private agencies cease functioning because of non-support, premising necessity for their work, government would have to step in to fill the gap, with taxes increased to cover the greater costs. Through support of private agencies, therefore, the corporation expresses its preference that certain welfare services should be performed by this means rather than by government.

A large power company, when making excavations years ago, was responsible for the importation of large numbers of foreign laborers. Upon completion of the construction work, these unskilled workmen were no longer needed, but remained in the community to create a shanty town, which has ever since been the source of serious social problems. The cheap power offered by the corporation attracted to the locality a number of large industries which employed many thousands of workers. During the depression the relief load on the community was heavy.

The power company regularly contributes approximately one-third of the total sum given by the community to voluntary relief agencies. But with its large investment, the corporation pays two-thirds of the total real estate taxes of the community. Were the voluntary agencies in this city superseded by governmental ones, the cost to the corporation would be doubled. Apart from considerations of moral obligation, the contributions of this company are financially to the benefit of its stockholders.

#### DIRECT BENEFIT TO EMPLOYEES

When large numbers of its workers live in the community, direct benefits to a corporation from community agencies are frequently measurable. A better choice

of workers is afforded if these come from favorable surroundings. And once employed, they remain better workers if they have proper medical care, recreational facilities, assistance in meeting family problems and the benefits of character-building programs.

A study made a few years ago in Cleveland showed that 38% of the employees in the industrial concerns surveyed in some way during the previous year had been ministered to by one of the agencies supported by the community fund. Their wives or children had been hospitalized, visiting nurses had called at their homes, they had attended dispensaries or dental clinics, their children had used the playgrounds.

#### TAX DEDUCTION PERMITTED

Arguments such as the foregoing were presented to define corporate contributions to welfare agencies as a necessary and ordinary expense of doing business. They were accepted in this light by provisions in the 1935 Internal Revenue Act which permitted corporations a deduction for charitable purposes up to 5% of net income, figured upon the net income before subtracting the contribution.

The tax deduction was to be permitted only if the gifts were to be used exclusively within the United States or its possessions. This provision would have made taxable contributions to war relief agencies which provide aid in foreign countries. Deductions for gifts to be used abroad, however, have been allowed for some time under a Treasury Department ruling, and in the Internal Revenue Act recently passed an amendment provides that corporate contributions for charitable use outside the United States will be deductible until hostilities in the present war have ceased.

The war has once more brought into being the war chests which consolidate the appeals of the many war relief agencies. In some instances community chests have been expanded into war chests by adding war relief agencies to the group of local agencies included in the community chests. In other communities war chests operate alongside the local community chests.

#### SUPPORT OF WAR RELIEF AGENCIES

In asking corporation support for war relief agencies, solicitors present reasons similar to but broader than those urged when asking aid for local agencies. To do business, it is argued, it is necessary to develop an international civilization which is livable. We need a free society—freedom of opportunity, open markets in which to trade. Extending relief to our Allies helps us attain this goal.

Voluntary assumption of the welfare load is more in keeping with the idea of free enterprise than its imposition entirely upon government. Again, as in the local situation, if voluntary agencies failed to feed the starving citizens of our Allies, provide clothing and medical care, our government would probably do so, for military



reasons quite apart from humanitarian considerations. But in the interests of keeping alive the spirit of voluntary action, government stands aside while the needed services are provided through such organizations as the British War Relief Society and United China Relief.

In the case of the USO, as in the instance of local welfare services, the corporation often has a direct interest. Many of its employees may have joined the armed forces, men whom the company anticipates will again be among its personnel when the war is over. In supporting the organizations which meet the service men's needs, corporations are thus contributing to the welfare of their own employees, temporarily absent.

#### VIEWS OF THE CONTRIBUTOR

The reasons for corporate contributions outlined in the preceding paragraphs are among those frequently presented by organizations soliciting aid. To determine the views from the angle of the contributor, THE CONFERENCE BOARD asked executives of twenty of the largest manufacturing corporations in the country what criteria were used in determining causes to support. The inquiries were restricted to manufacturing companies, for it was believed that in the non-manufacturing group certain factors might be weighted because of the nature of the business. In mercantile establishments, financial institutions and public utilities, for example, the close contact of representatives of the business with the public might affect very appreciably the importance attached to the good will value of the gift.

The primary consideration in making contributions cited by nineteen of the twenty executives was a feeling of obligation to carry part of the community's burdens. A reason almost equal in importance, given by eighteen of the companies, was benefit to employees. The relative need for the funds solicited was third in order, and public relations value of the gift, fourth.

It had been suggested that companies might have special interest in certain causes because of their executives' participation in directing the campaigns. A fourth of the companies included this as a reason for contributing to certain agencies, although as one director of public relations pointed out, it was difficult here to distinguish between cause and effect. It was not likely that an executive would give his time and effort to a campaign unless the campaign were pretty well recognized as being for a worthy cause and unless the fact were pretty well established that the campaign would have the company's support.

#### MAJOR RECIPIENTS OF CORPORATE GIFTS

The major recipients of corporate gifts are usually the community and war chests and the Red Cross. If the USO is not included in the local war chest, that is supported separately.

Organizations included in the local community and war chests vary. In some communities, for example, the YMCA and YWCA are in the community chest; in others, these associations carry on separate campaigns.

With four and five organizations soliciting funds for the same purpose, as is true in the case of some of the foreign relief appeals, it is frequently difficult for the local community and war chests to determine which should be included in the community drive and what share of the budget should be allotted to each. A National Budget Committee for War Relief Appeals formed this year has been helpful in this regard. Its membership included six representatives of the general public, six from appeal agencies, six representatives of chests, and others representing organizations with special interest in the problem, including the AFL, CIO, United States Chamber of Commerce, the National Association of Manufacturers and the Brotherhood of Railroad Trainmen. Mr. Gerard Swope served as chairman.

#### BUDGET FOR WAR RELIEF ORGANIZATIONS

At hearings held this summer, representatives of one major appeal for each country presented its case and on the basis of them a budget was drawn up allotting national quotas for each of the big war relief organizations.<sup>1</sup> A contingent fund was provided for minor agencies whose appeals were to be heard later. As an extension of the plan, a formula was worked out to enable communities to establish their own quota responsibility toward the various war appeals. In breaking down the national quotas into state quotas, the following data are being used: population, total income-tax collections (corporate and individual), individual income-tax collections, federal employment taxes, wholesale sales, wholesale trade employees, wholesale trade payrolls, retail sales, retail trade employees, retail trade payrolls, and industrial payrolls.

Among the factors suggested as useful in arriving at local city or county quotas are: assessed valuation of property, state income-tax payments, records of gifts made in past campaigns, deductible contributions reported on income-tax returns, population, and retail sales, wholesale sales, industrial volume and effective buying income in the previous year.

The War Relief Control Board recently established by executive order of President Roosevelt and under the chairmanship of Joseph E. Davies has been useful in preventing excessive duplication of appeals. This board has broad powers to regulate all kinds of foreign and

<sup>1</sup>Included in the first national budget of war relief appeals were the following: British War Relief Society; United China Relief; Queen Wilhelmina Fund; Greek War Relief; Polish American Council; Russian War Relief; American Social Hygiene Association, for work in defense communities; War Prisoners Aid Committee of the YMCA; National Board of the YWCA for overseas purposes; and United Service Organizations.



domestic appeals, designed to meet needs caused by the war, with the exception of the Red Cross and certain established religious organizations.

#### DECIDING WHICH CAUSE TO SUPPORT

The fact that an organization is included in a community chest gives considerable reassurance to corporation executives as to the worth of the cause. But outside appeals not infrequently are made to corporations and in these instances executives must use their own judgment. Detailed reports on any organization, however, can be obtained from the National Information Bureau either directly or through the local community chest or chamber of commerce if it has membership in the bureau.

A policy of limiting contributions to certain organizations has been established by some corporations. Thus the board of directors of a large corporation with headquarters in New York passed this year a formal resolution limiting contributions of the company to the American Red Cross, the Greater New York Fund, Inc., one United States Navy fund, one United States Army fund, and local charities in communities in which plants of the company are located. Subsequently, a contribution to the USO was approved.

Another corporation with widespread operations divided its local contributions some years ago among charitable organizations, social betterment organizations and "miscellaneous," the last category embracing such appeals as those for firemen, policemen and other special groups. With the improvement of economic conditions it has been thought less important to aid in the last two instances, and the company's policy now is to give about 99% of the funds available for local contributions to only *bona fide* charities.

#### DISCRETION LEFT TO LOCAL MANAGERS

When the amounts involved are small, decision as to which local activities should be supported frequently is left to local representatives of the company. In the companies whose policies were surveyed, the most frequent practice is for top management to specify a constant maximum figure which the local manager can devote to charity and leave the distribution of this sum to his discretion. The next most frequent practice is to permit the local manager to recommend to management at headquarters both the charities to be supported and amounts to be given. If considered reasonable, such recommendations are approved and the sums allowed become operating expense charged against local operations.

Two of the companies surveyed set limits of \$100 for local contributions which need not be cleared through headquarters. In one instance, however, the local units are merely warehouses and here the contributions are devoted specifically to two purposes—a membership fee

paid to the local association of commerce and a modest contribution to the local community chest.

An office appliance company permits its local managers to distribute 50% of its total contributions in communities where the company has units, at the managers' discretion. The remaining 50% is designated specifically for the community chest and the Red Cross.

A large iron and steel company allows its local managers to make contributions up to \$1,500 a year. Other corporations decide upon varying amounts which may be devoted to local charity, these sums determined by factors such as the size of the community, size of the branch and number of employees in the branch. The local manager is given a maximum figure and within his budget he can use his own judgment as to which appeals should be met.

Contributions to national organizations with only one exception in the group of corporations studied are decided upon at headquarters. Three of the companies have central policy-forming committees to which all appeals must be referred. In the remaining corporations, top management, usually the board of directors or executive committee of the board, makes the decisions. Those companies which have a department of public relations rely heavily upon recommendations of its director in making contributions.

#### ALLOCATION OF GIFTS

In four-fifths of the companies, after the total gift to be given in the name of the corporation has been determined, allocation is made of parts of the contribution to the various local units. This allocation is considered most important from a public relations standpoint, for in a community where a campaign is being conducted the local branch manager represents the company. The fact that headquarters in New York or Chicago has given \$100,000 to the Red Cross fails to satisfy the solicitor in Lawrence or Indianapolis who wants a \$5,000 gift to apply to the local Red Cross quota.

Various devices are utilized in arriving at the proper allocation of gifts. Several companies make the distribution on the basis of number of employees. Volume of business done by the branches is another consideration. Some companies follow the recommendations of their local managers. A petroleum products company asks its local managers to recommend amounts to be charged to their operations. Any deficiency between the total of such contributions and the over-all amount pledged by the corporation is made up at headquarters.

Contributions at factory locations of a building supplies company vary in ratio to the normal number of employees, while gifts at other locations vary according to population and are nominal in amount.

Usually, larger amounts are allocated to factory locations than to places in which the company maintains only sales offices. But size of factory or sales office is



not necessarily the guide in determining allocations. For instance, an executive of a company which manufactures farm machinery writes that in the instance of a small sales office in a relatively small city in the heart of one of the larger agricultural states, his company would give perhaps more liberally than in an industrial center where the company has a similar sales branch, or even a larger one. In the former case, the company is looked upon as a greater part of the community than is the case where the company is only one of many corporations represented.

The problem of allocation is closely dependent upon the basic methods used in arriving at the total figure for the company's annual contributions.

### YARDSTICKS FOR GIVING

Although a number of yardsticks have been tried in recent years, there is no evidence that any one has proved outstandingly superior. One of the large chain stores of the country for a number of years has determined its annual contributions on the basis of the formula  $1/10$  of 1% of its gross sales. On the other hand, a joint national committee of chain store and community chest representatives, after working for two years attempting to find a practical formula for chain store philanthropy, abandoned the task recently as too difficult. Local conditions varied too much, committee members concluded, to make the application of a uniform rate in each community advisable. For example, the work of governmental agencies in some localities is so comprehensive that the services of private charitable agencies are proportionally made less necessary.

Use of taxation figures was suggested by an executive of an automotive company a few years ago as a guide to determining the amounts to be given in factory locations to community chests. The total quota for all factory employees in a community, according to the plan, should bear the same proportion to the total community chest budget as the total taxes payable by these factories bore to the total taxes payable by the entire community. The distribution of the preliminary quota among the various employers was to be in proportion to their average number of employees. This would necessitate cooperation on the part of all the factory employers of the community who would provide statistics of the local taxes they had paid in the most recent tax year and their average monthly employment.

In lieu of taxes paid, assessed valuation of property could be used as the basis for determining the respective shares of various companies in a campaign. The plan would not lead automatically to the amount a corporation would contribute, since individual companies might have additional considerations which they regarded as controlling.

A company manufacturing electrical appliances partly

follows this plan. It bases its contributions to community chests on the ratio of taxes paid and assessed valuation of its property to the total taxes and assessed valuation in the community, but includes other considerations in its general philanthropic program. Its contribution rate which is set each budget period is determined in relation to net earnings of the company and also in relation to the amounts contributed by the employees. The contributions made by other corporations are also an influential factor.

In the group studied, half the corporations stated that their annual contributions were determined in no ratio to earnings, sales, number of employees or other factor, but that each appeal was decided upon according to its merits. Two companies are making annual appropriations for philanthropy based on contributions for the preceding year, modified to meet changed or changing conditions. In one of them if special appeals come up during the year, not included in the annual appropriation, action is taken by the executive committee of the board; if substantial amounts are involved, by the whole board.

One of the large petroleum products companies usually tries the yardstick suggested by the philanthropy, such as volume of business, assets, or number of employees, making adjustments to round numbers to make the gift in keeping with the importance of the charity and the company's ability to give.

The entire industry's ability to give in relationship to the needs of the cause and the probability of other industries' meeting their quotas are factors considered by this company. The petroleum companies may give more than their *pro rata* to make up for deficiencies in less successful businesses.

Similarly an executive of a building products company comments:

The basis for a decision to support a national campaign, such as USO or other war emergency agency, which is considered above our normal budget, is the extent to which we feel that financial assistance must be obtained from corporations. If this is generally recognized, our top management will then authorize a contribution. The amount of such a contribution will depend upon the budget set for our industry and the ratio of our resources to the total resources in the industry.

The ratio most frequently used in those instances when companies establish a ratio for annual contributions is that in respect to number of employees. The total contribution is estimated on the basis of a fixed amount per employee.

Two companies match what their employees give. Two base their total annual gifts on net earnings of the company, and one on sales quotas.

Objections were voiced to basing annual contribution on sales or earnings by a company which attempts to



keep its total contribution figure constant from year to year. "Our reason for this," commented an executive, "is that in years of depression, a downward adjustment of contributions would probably be unfair, as that would be the time when local charities would need greater funds."

Only three of the twenty companies indicated, however, that they attempted to arrive at a figure for con-

tributions which could be sustained in good times and bad. The usual practice is to set the contribution rate or decide upon the total contribution figure at each budget period, at which time the entire philanthropic program is reexamined.

GENEVA SEYBOLD  
*Management Research Division*

## Wartime Labor Arbitration Clauses

THE EXECUTIVE ORDER of January 12, 1942, establishing the National War Labor Board, recognized the rights of management and labor to provide and use their own procedures for settling controversies. It gave to the field of labor disputes an administrative body with power to make and enforce settlements. Management and labor are often unskilled or unfamiliar with the technique of arbitration and in their voluntary efforts to settle their own disputes they also need administrative help.

The American Arbitration Association in an effort to speed up the cooperation of management and labor designed a series of arbitration clauses which it believed would make that voluntary effort more effective. The Association for the past five years has supplied the necessary assistance through national facilities, available panels, rules and administrative services. The method by which these facilities are made readily available to parties to labor controversies is to include an arbitration clause in their collective bargaining agreement providing that where arbitration is necessary it should take place under the rules of the American Arbitration Association. This procedure supplies to parties and arbitrators the tools for effecting a voluntary settlement of disputes.

Prior to the order of January 12, the Association recommended that the following general clause should be used when the American Arbitration Association is to appoint the arbitrator and the arbitration is to be held under its rules.

Any dispute, claim, grievance or difference arising out of or relating to this agreement shall be submitted to arbitration, upon notice of either party to the other party, under the Voluntary Labor Arbitration Rules, then obtaining, of the American Arbitration Association and the parties agree to abide by the award.

The parties further agree that there shall be no suspension of work when such dispute arises and while it is in process of arbitration.

*Note:* When the parties intend to limit the jurisdiction of the arbitrators as to the subject matter, they will add to the above clause the provision that the foregoing provisions do not apply to (insert matters to be excluded).

### WARTIME ARBITRATION CLAUSES

It was found, however, that under the fast moving tempo of war production and with the rapidly expanding use of pacific settlement provisions in labor agreements, the one general clause did not meet all war emergency requirements. The Association therefore called into conference impartial chairmen and representatives of management and labor and prepared a series of six supplemental, alternative or combination clauses. The choice is optional as to which clause or clauses seem best adapted to a particular problem.

#### *General Combination Clause*

The first of the wartime clauses supplementing the general clause provides for the use and exhaustion of mediation before resort is had to arbitration:

Any complaint, dispute or grievance arising out of or in connection with this agreement shall first be submitted to negotiation or mediation by representatives of the parties, chosen in equal number by them, and in accordance with whatever procedure they may agree or have agreed upon.

If within a period of fifteen days after the emergence of the dispute negotiation or mediation, as provided for, has not been invoked or has failed to obtain a settlement of the matter it shall be referred to arbitration under the Voluntary Labor Arbitration Rules, then obtaining, of the American Arbitration Association. Written notice thereof to the Association will authorize the institution of proceedings under the Rules.

#### *Alternate Arbitration Clause*

This clause recognizes a prevailing and popular method for setting up an arbitration board. Lack of confidence in, or unfamiliarity with, arbitration makes each party want to have a representative on the inside. Therefore, many arbitration clauses provide that each party shall appoint one arbitrator and that these two shall together choose the third, or, failing to agree on such a choice, authorize some outside agency to appoint this additional disinterested person. Sometimes these agreements provide immediately for the third person



to be appointed by such an agency. The Association included this principle in the following clause, adding safeguards to apply where delay or the failure to agree on a neutral arbitrator threatens the loss of precious time.

Any grievance or dispute or difference that cannot be voluntarily adjusted between the Company and the Union shall be submitted to a Board of three arbitrators. Each party to this agreement shall select one arbitrator within forty-eight hours after written notice of the controversy shall have been given by either party to the other. The two arbitrators so selected shall agree upon a third arbitrator within forty-eight hours after their appointment.

Upon notice of either party of the failure of the other to make an appointment or of the failure of the two arbitrators to agree upon a third, such appointment shall be made forthwith by the American Arbitration Association, and the arbitration shall be held under its Voluntary Labor Arbitration Rules and the parties agree to abide by the award.

### *Special Arbitration and Renewal Clauses*

Economic changes arising from war conditions sometimes result in inequalities or the inapplicability of the terms of an agreement. This clause recognizes these facts and foresees that a labor agreement drawn for the duration of one or two years may work hardship before its expiration unless it carries within itself some provision either for its revision or at least a hearing upon the conditions out of which grievances arise. Therefore it provides that, even while the contract is in existence and there is no thought of its total abrogation, the parties may set up an adjustment board to inquire into the circumstances and make recommendations. If the parties fail to accept them, the question may then be referred to arbitration. The preliminary steps of investigation and adjustment often make arbitration unnecessary. The main point of such a clause is that it provides an outlet for accumulated grievances over changing economic conditions.

It is recognized by the parties to this agreement that, due to changing economic conditions and the emergencies of war, the terms of this agreement may become inequitable or inapplicable. Therefore, it is further agreed that upon written notice by either party to the other a board of adjustment, consisting of two representatives appointed by each party, shall endeavor to agree upon a mutually satisfactory adjustment of the question. Should the Board of Adjustment fail to settle the question or fail to meet within thirty days from the date of the notice above provided, the question may be referred by both parties to arbitration under the Voluntary Labor Arbitration Rules, then obtaining, of the American Arbitration Association and the parties agree to abide by the award.

The following clause is designed to take care of the very delicate and often dangerous interim when the re-

newal of a labor agreement is under discussion. It was prompted by a decision of the New York Court of Appeals<sup>1</sup> which held that the terms of renewal were not subject to arbitration as they constitute not the interpretation of a present agreement but the making of a new contract. Since then the New York law has been amended and disputes arising out of such negotiations are now arbitrable.

There are, however, many states that have no arbitration laws applicable to labor disputes. Thus it would be desirable that the arbitration of questions arising out of the renewal of a contract should be incorporated in the agreement itself before it is signed. This offers a way to avoid deadlocks. The following clause further provides that during the interval between the expiration of an existing agreement and the signing of a new agreement there shall be no cessation of work—a war emergency measure of the utmost importance.

This agreement shall continue in force until the . . . day of . . . , except that either party desiring a change or changes in the contract shall notify the other party in writing sixty (60) days prior to the end of any year of the contract. Such notice shall include a statement of the changes sought. Within ten (10) days after the receipt of such notice, the parties shall meet together to consider the proposed changes.

In the event that the parties fail to agree within thirty (30) days of their first meeting, either party, upon written notice to the other, may refer such dispute to arbitration under the Voluntary Labor Arbitration Rules of the American Arbitration Association and they agree to abide by the award. The parties further agree there shall be no strikes, lockouts, stoppages of work, picketing, or other disturbances that will interfere with production or with the good-will and relationship of the parties during the life of this agreement or any renewal thereof.

### *Fact-finding Clause*

Where an inquiry into questions of fact and the submission of findings may be more effective and less costly and quicker than arbitration, the American Arbitration Association recommends the insertion of a special clause—as for example, the examination of the books of a business concern and of the union by an impartial person to determine the question of majority representation for a collective bargaining agency. In such an instance, neither organization may be willing to show its books to the other but each will permit an examination by a disinterested and duly authorized inquirer. As such an appointee acts best through an administrative agency and as requests for the services of an inquirer are frequently received by it, the Association has provided a clause to cover this need. Thus, an alternative to arbitration is provided for cases where an issue can be reconciled by obtaining a true statement of facts. This

<sup>1</sup> Buffalo and Erie R. R. vs. Amalgamated Association, New York, 1920.



provision may be added to any of the foregoing clauses.

Whenever any dispute or difference or complaint arising under this agreement concerns solely such questions of fact as may be determined by an impartial inquiry, or whenever a situation arises in the course of a mediation or arbitration when such method will facilitate a settlement, the parties may refer such matters to a fact-finder or board of inquiry, and may agree that such inquiry will be conducted under the Rules for Inquiry of the American Arbitration Association. Upon notice to the Association, it will make such appointments or conduct such inquiry in accordance with the rules and terms of the reference. Such fact-finder or board shall report its findings without recommendation to the parties.

### *Appointment of Impartial Chairman*

A clause providing for the appointment of an impartial chairman is not strictly confined to matters of arbitration, since it combines the functions of mediation and arbitration in the person of an impartial chairman approved by the parties to a collective bargaining agreement. The clause was drawn up by a Conference of Impartial Chairmen who wanted a more specific definition of their powers and who believed that some simple procedure would clarify and expedite their work and prevent their becoming merely sounding boards for grievances or compromisers of claims. As the Association is called upon occasionally to submit recommendations for the position of impartial chairman and as these nominees are chosen from its panels, it felt that some greater protection than mere terms of employment should be afforded these men in the performance of their duties. This section embodies the kind of provisions that the Association believes should be included in contracts where an impartial chairman is to be appointed.

1. The parties hereto agree to and do hereby designate . . . . . to be and to act as Impartial Chairman herein to hear, determine and make awards, decrees and decisions in any and all disputes, differences and grievances which may arise under and by virtue of this agreement, which said awards decrees and decisions shall be final and binding upon the parties hereto and their respective members.

2. In the event that any member of either of the parties to this agreement shall fail or neglect or refuse to appear at a meeting designed by the Impartial Chairman, then, and in that event, it is agreed that such Impartial Chairman shall proceed to final determination upon the evidence presented thereat.

3. It is further agreed that the said Impartial Chairman may, in his discretion, initiate any investigations or hearing which in his sole judgment shall lead to equitable, harmonious and peaceful labor relations between the parties to this agreement.

4. Should the said Impartial Chairman resign, refuse to act or be incapable of acting, or should the office be-

come vacant for any reason, the parties shall, within five days after the occurrence of such vacancy, designate another person to act as such Impartial Chairman; and if they fail to designate such Impartial Chairman the . . . . . (insert name of an agency which maintains panel of arbitrators) upon the application of either party shall thereupon designate an Impartial Chairman.

5. Each case shall be considered upon its merits and the collective agreement shall constitute the basis upon which decisions shall be rendered; and no decision need necessarily constitute a precedent for any subsequent case.

6. The Impartial Chairman shall, from time to time, make, modify, repeal, supplement and amend rules and regulations governing the procedure of cases brought before him which, in his judgment, are necessary and proper to the establishment and maintenance of proper relations between the parties.

### WAGE STABILIZATION

Under the first five clauses, wage disputes have been and may continue to be submitted to arbitration under the rules of the Association. Since any awards involving general wage adjustments require approval of the National War Labor Board, it has been found advisable to amend these clauses by adding to each one the following words:

subject to such rules and regulations as any federal agency having jurisdiction may impose.

This additional provision not only brings these arbitration clauses into conformity with the President's Executive Order of October 3 but anticipates future regulations and changes. Consequently, the Association suggests their inclusion by every user of any of these clauses.

### NEW RULES AND INSTRUCTIONS

In the nine months since the wartime arbitration clauses were promulgated, several hundred cases have been submitted, mostly under collective bargaining agreements. This experience and the Executive Order of October 3 have led the Association to revise its rules to adapt them to changing war regulations. They have been made simpler and more elastic and contain special rules for making awards in wage cases. In the revision of the rules the name of the tribunals has been changed from "Industrial Arbitration Tribunal" to "Voluntary Labor Arbitration Tribunal" in order to express their wartime functions and to emphasize their voluntary services. These rules are accompanied by a manual on how to use labor clauses. It contains suggestions to arbitrators on how to arbitrate a wage dispute and instructions to clerks on how to convey the record to the National War Labor Board for approval. These new rules and the manual will be available after November 15. They provide parties with a standard procedure for a voluntary system of arbitration under changing



war regulations and conditions. They help to put into effect Chairman Davis' admonition that the War Labor Board expects employers and employees throughout the country to give their wholehearted cooperation in continuing to adjust disputes by mutual agreement wherever possible.

In this undertaking it must be remembered that the American Arbitration Association is not an arbitration tribunal, it is not an arbitrator, it settles no disputes. All it does is to provide the facilities, including rules, hear-

ing rooms, information, panels and clerical service, to parties who are settling their disputes by mutual agreement. It is the disputants' tribunal, their arbitrators, their procedure and their award. The sole purpose of the AAA is to enable the parties to settle their own disputes expeditiously, economically and amicably and thereby to make its contribution to speeding war production.

WM. BARNES O'CONNOR  
*Management Research Division*

## Comments on Management Problems

### A POLL OF THE VIEWS OF EXECUTIVES OF REPRESENTATIVE COMPANIES ON MATTERS OF TIMELY INTEREST

#### POINT 1. Is labor operating at its highest levels of productivity?

Executives answered in the negative by a ratio of about 7 to 1. One qualified an affirmative statement by distinguishing between union and non-union labor. The latter, he felt, were producing to capacity. Another felt that the only factor preventing highest productivity was an increasing tendency toward absenteeism. Representative comments include the following:

It is my observation that labor is not operating at its highest productive levels. I would question whether productive efficiency is running any better than 75% at the present time.

It seems to me that an increase in productive efficiency offers the best solution for the manpower shortage.

Labor generally is not operating at its highest levels of productivity due largely to the activity of agitators, business agents and organizers to extend the so-called feather-bedding philosophy into war production plants. Too many workmen capable of greater productivity and willing to produce more volume are intimidated into limiting their production to rates set up by shop stewards. I think this is the greatest piece of sabotage now going on in the United Nations' war effort.

#### POINT 2. If labor is not operating at its highest levels, what are the restraints on increased production and how can they be eliminated?

Many factors were mentioned as militating against full potential production. In the order of frequency with which they were mentioned, they are as follows:

1. Union rules and habits, amounting to intentional restriction of output to a scale considered proper.

2. Lack of a real war psychology—failure of many employees to sense the critical nature of war production and its indispensability to successful conduct of the war,

and a feeling that the individual's output is too infinitesimal a part of the total to affect results.

3. A feeling that because of high wage rates there is no need to exert effort to make higher earnings.

4. Material shortages, which tend to influence the worker to hold back so that the job won't run out.

5. "Forty hours' work is plenty"—a psychology built up by the social legislation which makes anything above standard requirements seem an imposition.

6. Forty-hour week which holds down production with the limited supply of skilled labor, which cannot be used most effectively.

7. Uncertainty about operation of the Selective Service System. Various pronouncements by those supposedly in a position to know have indicated the imminent induction of groups formerly deferred. This has led many valuable employees to enlist in order to be able to choose their type of service. The loss of such men, who it is believed should be permanently deferred because of their special value, has seriously handicapped the operations in some plants.

8. A tendency to go easy during straight time operation in order to assure plenty of overtime work and pay.

9. High rate of turnover in "new hires." It seems to be the general experience that a large group of workers is shopping around for most satisfactory work and highest pay, with the result that they do not stay in one job long enough to acquire high productive skill.

Other factors that were mentioned as reducing high productivity included slowness in moving away the finished product which gave employees the impression that maximum production was not needed as badly as they had been led to believe; trivial grievances which ate up time while they were being settled; increasing absenteeism resulting from high wages; and the ease of getting jobs elsewhere. A few comments regarding the ef-



fect of these restraints on full efficiency include the following:

To me the most important of all is the one about being scared (or angry). There are quite a number of individuals who have close friends or relatives in danger spots and these individuals probably want to exert themselves. But the majority can't be speeded up by individuals here and there, and the individual soon will be gaited to the speed of the rest. When the time comes that the majority is angry or frightened, the opposite will be true and the slower ones will be pulled along to a higher tempo.

There is also the one other factor which most of us recognize, namely our inability to fully realize that we are at war and engaged in an extremely hazardous undertaking. It is an unfortunate statement to have to make, but it is my opinion that one bombing by the enemy on any of our industrial centers would do more to stimulate production and morale than almost any other thing that could happen.

The worst obstacle that we find is the 40-hour week. We very sincerely feel that this should be changed under these conditions to 48 hours without the payment of overtime.

The general morale, as far as the war is concerned, is good, but it does not seem to get down to the importance of each individual doing all the work that he possibly can.

In our own organization we are having our problem with people leaving their jobs for smoking, trying to quit early instead of working up until the whistle blows, and all the other usual problems of inefficiency that exist during peacetime operations. There is not an enthusiastic, cooperative, self-disciplined spirit on the part of the employees at this time.

**POINT 3. If the restraints were eliminated and production increased, roughly what percentage increase could be accomplished with existing manpower?**

The estimates varied from the indefinite statement "practically none" to "greatly" and percentage figures ranging from 5% to 40%. In a majority of cases the extent to which production could be increased with existing manpower was estimated as ranging from 15% to 25%.

**POINT 4. What has been the recent trend in your concern as regards labor productivity per hour? Has a downward trend been the result of material and equipment shortages more than the result of deterioration in the sum-total skill of your personnel?**

A considerable majority of executives reporting found that productivity per hour had declined. In two cases it was found to have been maintained, in two others it had increased and in one additional company it is now on the upgrade. The chief reasons for deterioration in

production per hour were found to be the large infiltration of new and as yet only partially skilled employees; a tendency to hold back in order to secure plenty of overtime; and material and equipment shortages. Occasionally there was voiced a fear of greater decline in productivity which would take effect progressively, perhaps, as more and more thoroughly skilled employees were inducted into military service. Comments on the question include the following:

Our own plants are process and, therefore, there is not the opportunity for lagging on the job that there is in so-called mass production plants. There has been some downward trend because of material and equipment shortages, but these usually are corrected quickly. We anticipate that as our turnover increases and as we begin to put women employees into the plants there will be a temporary lag in productivity until they become more skilled and acclimated. In general, it would seem that the place to correct the current situation is at the top, or 1600 Pennsylvania Avenue. The labor policy of the government has been such as to encourage slow-downs. If the word were given out from the top and organized labor's leaders told to get into line and put as much effort into the war production program as is being given by management and men in the armed services, productivity would increase very rapidly. The procurement divisions of the Army and the Navy and the Maritime Commission know this but are helpless, and all of their morale programs and incentive campaigns go for naught. One of the striking and ridiculous contrasts is that industry generally is increasing at a greatly accelerated rate and plants are turning out more and meeting impossible situations to such an extent that the Army-Navy "E" is being awarded broadly. Yet in these same plants operating managers will tell you that the productivity per man is lowering. Obviously, if productivity were increased the dangerous manpower situation now developing would not be so critical.

I would say that in our case labor productivity per hour has increased but not to as great an extent as is possible. Shortage of material does have a tendency to make labor drag out the job. We get the best results when material is piled high at the head of the line.

The many factors which affect productivity—lack of highly skilled mechanics, delays in obtaining materials, too heavy schedules, inductions in armed forces, etc.—have put a tremendous load on the management and supervision of operations. We just have not been able to spread our supervisory force sufficiently to handle the work as efficiently as in normal times. Our dollar billings are from three to four times normal. My statement that our problem is management rather than labor means that we cannot cope with the added problems and "green" labor as efficiently as we did in normal times, and this is probably as true with most every company as with ours.

As a rule our workmen are loyal and want to do the right thing.



## Selective Service Administration

### OCCUPATIONAL BULLETINS

**S**ELLECTIVE SERVICE Headquarters issues from time to time occupational bulletins for the guidance of local boards in the matter of granting occupational deferments. These provide such information as:

1. Whether the particular civilian activity is considered essential to the support of the war effort or necessary to war production;

2. A list of the critical occupations within such activities which require a degree of training, qualification, or skill which would cause a serious loss of effectiveness if persons filling the occupations were removed.

Each bulletin covers an industry or a group of occupations. So far these bulletins have been issued for thirty-four industries or groups. They are published by the Selective Service System and are available at offices of the Selective Service System. They cover the following subjects:

1. Civilian Pilots Employed by the Air Corps Flying Training Command
2. Public Health Service Reserve
3. Marine Pilots
4. Coal Production Activity
5. Railroad Transportation Activity
6. Ship Construction Activity
7. Coastal, Intercoastal and Offshore Water Transportation Activity
8. Civil Aeronautics Administration Civilian Pilot Training Program
9. Electric Power Activity
10. Scientific and Specialized Personnel
11. Pre-theological Students
12. Metallic and Non-metallic Mining
13. War Department Contract Flying Schools
14. Aircraft Production Activity
15. Petroleum, Natural Gas and Natural Gasoline Activity
16. Smelting, Refining and Rolling of Metals Activity
17. Air Ferry Pilots
18. Agricultural Activity
19. Forestry, Logging and Lumbering Activity
20. Food Processing
21. Transportation Service Activity
22. Metal Shapes and Forging Activity
23. Educational Services
24. Production of Chemicals and Allied Products Activity
25. Ammunition, Ordnance, and Accessories Production Activity
26. Production of Machinery
27. Communication Services Activity
28. Production of Industrial and Agricultural Equipment

29. Production of Leather Products
30. Finishing of Metal Products Activity
31. Civil Aeronautics Administration Aviation Services
32. Production of Communication Equipment
33. Construction Activity
34. Production of Stone, Clay and Glass Products
35. Production of Rubber Products
36. Production of Apparel
37. Production of Finished Lumber Products

### THE MANNING TABLE

Considerable mystery has surrounded the subject of Manning Tables, but recent announcements indicate their character and the manner in which they will be utilized. The Manning Table is intended to indicate to the employer a systematic procedure for keeping a record of his labor force in order to plan for an orderly withdrawal of workers as they may be required for the armed forces, with a minimum of loss in efficiency of operation. In brief, the Manning Table provides for a record of occupations necessary for the operation of the plant, together with information regarding the persons now filling the occupation and the foreseeable requirements for the future.

Only war producing plants may participate in the Manning Table Plan. A plant is regarded as eligible if 75% or more of its volume of output is for war purposes. Certain other contributing industries, such as public utilities and railroads, are also included.

In brief, information called for on the Manning Table includes by occupation the following items: job title; minimum training time; present number employed, classified as to white—male and female, and other—male and female, and total; percentage that this total is of the total number of employees in the department and in plant; number of handicapped workers used on job; whether or not job is to be re-engineered; future requirements and whether these will be provided from within or outside the plant, together with the minimum experience required of those that will be used; an analysis of the working force, by jobs, in various age groups, with respect to how many in each group are single, married, and married with dependents.

Further information regarding the operation of the Manning Table Plan and forms for making application to participate in the plan should be obtained from the office of the regional or area director of the War Manpower Commission.



## Wage and Salary Stabilization

FROM OCTOBER 2, 1942, until June 30, 1944, the income of most wage earners and salaried persons in the United States will be controlled by the government, exceptions being compensation established by statute and that of persons employed in establishments having no more than eight employees. On October 2, the wage and salary stabilization law became effective, its main purpose being to check the rising cost of living and thus prevent an economic inflation.

Section 6 of the act establishes June 30, 1944, as an automatic termination date for wage and salary regulation and provides further that such regulation may be ended "on such earlier date as the Congress by concurrent resolution, or the President by proclamation, may prescribe."

Wilful violation of the act or any related regulations, according to Section II, "shall, upon conviction thereof, be subject to a fine of not more than \$1,000, or to imprisonment for not more than one year, or to both such fine and imprisonment." Moreover, if any wages or salaries are increased in violation of regulations, the entire amount of compensation relating to employees involved will be disregarded in determining employers' costs or expenses in performing government contracts or in connection with the federal revenue law.

The act of October 2 gave President Roosevelt the power to issue such regulations as were deemed necessary to carry out its provisions and by virtue of this authority Executive Order No. 9250, the stabilization order, was issued on October 3.

The Director of Economic Stabilization has designated the National War Labor Board and the Treasury Department as his agencies for administering wage and salary control. The War Labor Board has authority over all wages up to \$5,000 and all salaries of the same range except those of non-union employees who are classified as exempt under the Fair Labor Standards Act. The Commissioner of Internal Revenue has authority over all salaries not under War Labor Board control, including salaries above the \$5,000 level.

Eleven general orders were issued by the War Labor Board as of November 6, 1942. A special arrangement of the main provisions of these regulations follows:

### MAIN PROVISIONS

1. Wage increases directed by the WLB prior to October 3, 1942, are to be put into effect as scheduled.

1-A. This applies also to salaries subject to the jurisdiction of the board.

2. The WLB procedure for adjusting labor disputes affecting wages was set forth by President Roosevelt in

the Executive Order of January 12, 1942, (No. 9017) which established the board. It remains in full force and operation under the Economic Stabilization Order.

3. The WLB considers all increases in wage rates which were put into effect on or before October 3, 1942, as having approved status except where such status is inconsistent with the Economic Stabilization Order.

4. Wage adjustments made by employers who employ not more than eight individuals are exempted from the provisions of the Economic Stabilization Order.

5. Individual wage adjustments may be made without WLB approval if they do not affect costs and price ceilings adversely and provided they are related to an established wage agreement or to established wage rate schedules covering work assignments and are made as a result of:

- a. Individual promotions or reclassifications
- b. Individual merit increases within established rate ranges
- c. Operation of an established plan of wage increases based upon length of service
- d. Increased productivity under piece-work or other wage incentive plans
- e. Operation of an apprentice or trainee system

6. If job rates have not been established by an employer then present job rates shall be fixed at a level not exceeding that which prevails for similar classifications within the area. The War Labor Board may direct the paying of higher rates in special cases.

Hiring rates that are in excess of rates previously established in a plant for employees of similar skill and productive ability will be considered as "wage increases."

6-A. Order No. 6 affects salaries subject to the jurisdiction of the WLB as well as wages.

7. Increases in wage and salary rates made in compliance with the administration of the Fair Labor Standards Act or state laws similar thereto are not in conflict with the Economic Stabilization Order.

8. Wage and salary adjustments in United States territories and possessions other than Alaska may be made without the approval of the WLB.

9. The WLB has jurisdiction on salaries up to \$5,000 in all cases where the employees involved are members of a recognized union. This also applies in all cases where salaries up to \$5,000 are paid to employees classified as non-exempt under the Fair Labor Standards Act.

Adjustments may be made in salary rates over which the board has jurisdiction without approval if they do not affect costs and price ceilings adversely and provided they are made under a salary agreement or salary rate schedule and as a result of:

- a. Individual promotions or reclassifications
- b. Individual merit increases within established salary rate ranges
- c. Operation of an established plan of salary increases based on length of service



- d. Increased productivity under incentive plans
- e. Operation of a trainee system

Employers who employ not more than eight persons may make salary adjustments without the approval of the War Labor Board.

Adjustment in salaries paid by the United States, any state or political subdivisions thereof, and the District of Columbia, may be made without the approval of the WLB.

10. In the case of employees whose wage or salary increases are subject to the jurisdiction of the War Labor Board, payment of a bonus, fee, gift, commission, or other form of compensation customarily paid to such employees in the past may be continued without specific approval. If it is a fixed amount it should not exceed the amount paid in the previous years. If it is computed on a percentage, incentive or other similar basis, the amount may exceed that paid in the previous year if the percentage and method of computation remain the same.

11. Wage increases subject to WLB approval, granted in good faith but without approval during the transition period from October 3 to November 7, may be submitted for review on or before December 1, 1942. If such increases are consistent with Order 9250 the War Labor Board will make its approval retroactive to the date of the increase.

During the first week in November the War Labor Board set forth four factors which it will consider in passing upon proposed adjustments: (1) maladjustments, (2) inequalities and gross inequities, (3) substandards of living, and (4) effective prosecution of the war.

#### ADJUSTMENT PROCEDURE

For effective administration the WLB has established ten regional offices. They are located in conjunction with the ten regional offices of the Office for Emergency Management in Atlanta, Boston, Chicago, Cleveland, Dallas, Denver, Kansas City, New York, Philadelphia, and San Francisco. The regional director in each of these ten cities will have an advisory board appointed by the WLB representing labor, employers, and the public.

Many cases will arise in which employers will not be certain whether a proposed wage or salary adjustment is of the type that does or does not require the approval of the War Labor Board. In such case, the proper procedure is to apply to the nearest field office of the Wage and Hour Division, United States Department of Labor, for a ruling. These rulings will be considered binding by the board unless reversed by a regional director. If the wage-hour representative advises that the proposed increase is one that requires approval he will provide assistance in transmitting the request to a regional director of the War Labor Board.

The Wage and Hour Division operates fourteen regional offices, more than a dozen sub-regional or branch offices and thirty-nine field offices. The location

of the regional and branch offices and the areas they serve are as follows. Branch offices are in parentheses.

*Atlanta:* Fla., Ga., S. C., (Columbia, S. C. and Jacksonville, Fla.)  
*Birmingham:* Ala., La., Miss. (Birmingham, New Orleans and Jackson)  
*Boston:* Mass., Me., N. H., R. I., Vt.  
*Chicago:* Ind., Wis., Ill.—except 3 counties  
*Cleveland:* Mich., Ohio, 3 counties in Ky. (Detroit and Cincinnati)  
*Dallas:* Ark., N. M., Okla., Tex.  
*Kansas City (Mo.):* Colo., Iowa, Kan., Mo., Neb., Wyo., 3 counties in Ill. (Denver and St. Louis)  
*Minneapolis:* Minn., Mont., N. D., S. D.  
*Nashville:* Tenn., Ky.—except 3 counties  
*New York:* Conn., N. Y., N. J. (Newark); (Conn. State Department of Labor, Hartford, a cooperating agency)  
*Philadelphia:* Del., Pa., 4 counties in W. Va. (Pittsburgh)  
*Raleigh:* N. C. (North Carolina Department of Labor, Raleigh, a cooperating agency)  
*Richmond:* Md., Va., W. Va.—except 4 counties (Baltimore)  
*San Francisco:* Ariz., Calif., Idaho, Nev., Ore., Utah, Wash. (Los Angeles and Seattle)

Cities in which the thirty-nine field offices are located are listed by states:

<i>Arizona:</i> Phoenix	<i>New York:</i> Albany
<i>Arkansas:</i> North Little Rock	Buffalo
<i>Illinois:</i> Carbondale	Syracuse
Peoria	Rochester
<i>Indiana:</i> Indianapolis	<i>Oklahoma:</i> Oklahoma City
<i>Iowa:</i> Des Moines	<i>Ohio:</i> Columbus, Toledo
<i>Kansas:</i> Topeka	<i>Oregon:</i> Portland
Wichita	<i>Pennsylvania:</i> Erie
<i>Kentucky:</i> Louisville	<i>Rhode Island:</i> Providence
<i>Maine:</i> Portland	<i>Tennessee:</i> Knoxville
<i>Massachusetts:</i> Springfield	Memphis
Worcester	<i>Texas:</i> Houston
<i>Michigan:</i> Marquette	San Antonio
<i>Minnesota:</i> St. Paul	<i>Utah:</i> Salt Lake City
<i>Montana:</i> Butte	<i>Vermont:</i> Rutland
<i>Nebraska:</i> Omaha	<i>Washington:</i> Spokane
<i>New Hampshire:</i> Manchester	<i>West Virginia:</i> Charleston
<i>New Jersey:</i> Hammonton	<i>Wisconsin:</i> Madison
	Milwaukee

The steps involved in obtaining approval for a voluntary wage increase are, in brief, as follows:

1. To local wage-hour division office.
2. To nearest WLB regional director.
3. To the WLB regional tripartite panel in case of an appeal from regional director's ruling.
4. To full WLB if panel splits and dissenting member recommends full-board review.

E. S. HORNING  
 Management Research Division



## The Conference Board Management Record



FOUNDED 1916

NOVEMBER, 1942

### FACT AND COMMENT

#### Foreman Unions

Foremen are once again showing signs of becoming articulate as a group and organizing themselves to deal collectively with management, of which, in theory at least, they are a part. An abortive effort to organize foremen in the Detroit area three or four years ago did not make great progress. Managements protested that foremen were its representatives and that a foreman's union was unthinkable. Both the large labor federations viewed the movement askance and gave it no great encouragement. The movement did, however, impel many managements to review the status of their foremen to discover whether compensation scales were equitable or whether other conditions existed that weakened foreman morale.

Evidently this rather belated recognition that foremen have good grounds for complaint was either too restricted in scope or the matter was not carried through to a satisfactory conclusion, because again the foreman union issue is raised and this time with more determination. Two events have brought the question to the front again.

One is a recent decision of the National Labor Relations Board, certifying the Mine Officials' Union of America as exclusive bargaining agency for fifty-six assistant foremen, fire bosses, weigh bosses and coal inspectors at three mines of the Union Collieries Coal Company. This decision gives official sanction to organization and collective bargaining by the supervisory force.

The second significant event is the formation

and growth in the Detroit area of the Foreman's Association of America, an independent organization for men of supervisory rank. It claims a membership of about 7,500 in the large automotive plants and is receiving interested inquiries from all parts of the country. The preamble of the Association's constitution states clearly the feeling of a need for collective action.

Just before the opening of the present decade the organization of the body of workers into plant and industry-wide unions demanding the exclusive right of representation for collective bargaining purposes, dealing with employers or groups of employers in organizations that have existed for years, has greatly changed the real status of the foreman.

In the particulars of the day's production the foreman is yet the channel for making effective the policies and directions of management as applied to production, but he is a part of neither organized ownership and management on the one hand nor of organized labor on the other hand. The foreman fits between two enormous powers, ownership and management on top and labor unions with enormous numbers on the bottom. The foreman has reason to feel that in the ceaseless struggle between ownership and wage labor the foreman will become a victim unless all foremen are organized to protect individuals and interests common and essential to the position of foremen in modern mass power production.

Probably a large number of industrial foremen would agree with this temperate statement of their dilemma. Many management executives would also agree but would probably point out the difficulties and abnormal circumstances resulting from war conditions that complicate the problem.

Evidence from various sources indicates that the shrinking differential between the foreman's compensation and the high pay of his men, inflated by much overtime work, has been a frequent cause of dissatisfaction. But fully as important has been a widespread failure to give to foremen a genuine managerial status. Too often the foreman has been called a part of management but has never been shown that he is actually so regarded. In important decisions affecting his responsibilities and concerning matters on which his counsel should be invaluable he has repeatedly been cajoled, by-passed or ignored. Small wonder that in a world full of examples of minority groups grown powerful through organization he is wondering whether his real interests dictate primary allegiance to his management or to his group.

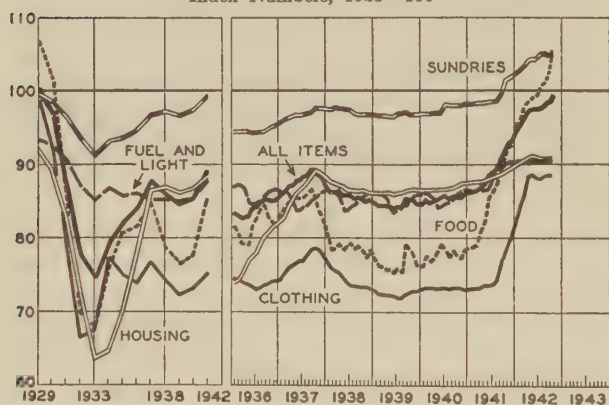


## Monthly Review of Labor Statistics, September-October, 1942

**N**EW PEAK LEVELS of earnings, employment, man hours and payrolls were attained in September by wage earners in the twenty-five manufacturing industries regularly studied by THE CONFERENCE BOARD. Number of hours worked per wage earner in September, although substantially lower than during pre-depression years, was higher than at any time since the passage of the wage-hour act in June, 1938, providing for the forty-hour work week.

The cost of living for wage earners and lower-salaried clerical workers in the United States continued its upward trend in October with a rise of 0.9%.

COST OF LIVING IN THE UNITED STATES  
Index Numbers, 1923=100



In September, a smaller percentage of workers in twenty-five manufacturing industries received wage-rate increases than in August, but they received a higher average increase. The average percentage of workers receiving increases in September was 5.7% and the average wage-rate increase received was 6.5%.

Although the number of strikes beginning in the month in all industries declined 17% from August to September, the number of man days lost and the number of workers involved remained unchanged. There were 290 strikes beginning in September, resulting in a loss of 450,000 man days of work by the 80,000 workers involved. The number of strikes affecting war industries in September also declined but nevertheless there was an increase in both the number of men involved and in the number of man days lost. It is evident that in September the average number of workers involved per strike was higher and the average duration of each strike was longer. The estimated number of man days

put into war production increased 10.7% from August to September, but the number of man days lost through strikes in war industries increased 19.7%. The percentage of time lost to time worked was only 0.1%, however, in September.

### COST OF LIVING IN OCTOBER

Living costs in the United States advanced 0.9% between September and October. This increase was caused almost entirely by an increase of 2.5% in the cost of food. Clothing and sundry costs rose 0.1% and housing and fuel and light remained unchanged. The rise in food costs, one of the largest since the beginning of the war, was to be expected. In announcing the OPA amendments to the original price control order, Leon Henderson notified consumers that his organization was planning a realignment of the retail price structure, especially in the case of foodstuffs, and that they could expect some rises for several months, at which time it was hoped that prices could be firmly fixed. Although part of the upward trend in food prices was undoubtedly due to readjustment of ceiling prices by the OPA, there was also no doubt a continuation of the strong upward trend in costs of food items not controlled prior to the amendment of the original Emergency Price Control Act in October and in the few remaining uncontrolled items.

### Changes by Cities

Between September and October, living costs rose in all seventy cities surveyed by THE CONFERENCE BOARD, except Seattle, where they remained unchanged. The largest increase was 2.2% in Flint, Michigan. A median change of 0.9% occurred in nine cities. Over the year, living costs increased in all sixty-eight cities for which data are available. The greatest increase was 11.5% in Toledo and the smallest was 5.6% in Newark, New Jersey. The median change for the year was 7.7%-7.8% and occurred in New Orleans and Joliet.

### WAGE-RATE INCREASES

The number of wage earners in the twenty-five manufacturing industries studied by THE CONFERENCE BOARD who received wage-rate increases declined from 9.6% in August to 5.7% in September. The average increase received, however, was 6.5% as compared with 5.8% in August. The most significant increase was one of 12.9% which affected 40% of the workers in the



## PERCENTAGE CHANGES IN THE COST OF LIVING IN 70 CITIES, SEPTEMBER TO OCTOBER, 1942

Source: THE CONFERENCE BOARD

City	Percentage Change	City	Percentage Change	City	Percentage Change	City	Percentage Change
Flint, Mich.	+2.2	Los Angeles.	+1.2	Anderson, Ind.	+0.8	Sacramento.	+0.6
Grand Rapids.	+1.9	St. Louis.	+1.2	Baltimore.	+0.8	Syracuse.	+0.6
Toledo.	+1.7	St. Paul.	+1.2	Boston.	+0.8	Newark.	+0.5
Green Bay, Wis.	+1.6	Youngstown.	+1.2	Duluth.	+0.8	New Haven.	+0.5
Milwaukee.	+1.4	Dayton.	+1.1	Fall River.	+0.8	Dallas.	+0.4
Rockford, Ill.	+1.4	Lewistown, Pa.	+1.1	Kansas City, Mo.	+0.8	Erie.	+0.4
Des Moines.	+1.3	Denver.	+1.0	Macon.	+0.8	Louisville.	+0.4
Detroit.	+1.3	Lynn.	+1.0	Richmond.	+0.8	Roanoke, Va.	+0.4
Joliet, Ill.	+1.3	Wausau, Wis.	+1.0	Trenton.	+0.8	Rochester.	+0.4
Minneapolis.	+1.3	Cincinnati.	+0.9	Wilmington, Del.	+0.8	Saginaw, Mich.	+0.4
Muskegon.	+1.3	Cleveland.	+0.9	Huntington, W. Va.	+0.7	San Francisco.	+0.4
Omaha.	+1.3	Evansville, Ind.	+0.9	Meadville, Pa.	+0.7	Bridgeport.	+0.3
Philadelphia.	+1.3	Indianapolis.	+0.9	Memphis.	+0.7	Spokane.	+0.3
Akron.	+1.2	Manchester, N. H.	+0.9	Pittsburgh.	+0.7	Houston.	+0.2
Atlanta.	+1.2	New Orleans.	+0.9	Portland, Ore.	+0.7	Oakland.	+0.2
Buffalo.	+1.2	New York.	+0.9	Birmingham.	+0.6	Seattle.	0
Chicago.	+1.2	Parkersburg, W. Va.	+0.9	Chattanooga.	+0.6		
Lansing.	+1.2	Providence.	+0.9	Front Royal.	+0.6		

Northern cotton industry. A substantial increase of 5.1% was enjoyed by 28.4% of the workers in the agricultural implement industry. Fair-sized increases were also received by a large percentage of workers in the leather tanning, hosiery and knit goods, silk, and

products," and woollens and worsteds, but in each case they affected only a small percentage of workers.

## WAGE-RATE INCREASES AND WORKERS AFFECTED

Date	All Manufacturing <sup>1</sup>		25 Manufacturing Industries <sup>2</sup>	
	Wage Earners Affected	Wage-Rate Increase	Wage Earners Affected	Wage-Rate Increase
<b>1941</b>				
January.	3.0	4.9	2.1	5.8
February.	1.1	6.1	1.7	5.1
March.	1.6	6.7	2.1	6.8
April.	11.7	9.6	10.3	8.0
May.	10.1	8.9	11.2	8.4
June.	10.2	9.1	12.8	7.9
July.	6.6	8.5	8.0	7.8
August.	3.8	7.3	5.9	6.1
September.	5.5	9.0	7.2	7.1
October.	5.1	8.7	4.1	7.0
November.	2.2	8.0	4.3	6.4
December.	3.0	7.4	3.5	6.8
<b>1942</b>				
January.	n.a.	n.a.	3.7	6.1
February.	1.9	7.9	3.0	5.7
March.	2.5	7.9	4.1	6.3
April.	2.5	8.0	4.0	7.1
May.	4.2	8.3	4.7	6.4
June.	3.7	8.3	4.3	7.5
July r.	6.4	7.1	4.6	7.1
August r.	9.1	7.7	9.6	5.8
September p.	5.7	7.5	5.7	6.5

<sup>1</sup>United States Bureau of Labor Statistics<sup>2</sup>THE CONFERENCE BOARD

r Revised

n.a. Not available

p Preliminary

foundry industries. Average increases of more than 10% were granted workers in the book and job printing industry, news and magazine printing, "other rubber

## EARNINGS AND HOURS

New peaks in earnings, employment, man hours and payrolls reached in September were the result of increases of 1.8% in hourly earnings, 0.5% in average hours worked per week, 2.2% in weekly earnings, and 1.2% in employment between August and September. In September, the average wage earner in the twenty-five manufacturing industries studied by THE CONFERENCE BOARD worked 43.4 hours at \$.957 per hour and received \$41.78. His "real" weekly earnings were 1.7% higher than in August and 59.2% higher than in 1923.

Since January, 1941, hourly earnings have risen 26.1% and the work week has increased 8.0%, so that weekly earnings rose 36.5%. Since both hourly and weekly earnings have advanced considerably more than living costs, real hourly earnings in September were 10.0% higher than in January, 1941, and real weekly earnings 19.1% higher.

The current Congressional movement for the suspension of the forty-hour week has focused considerable attention on the length of the work week in American industry. In the regular article on earnings, hours, employment and payrolls appearing on page 368, a short review is made of the history of the work week in twenty-five manufacturing industries. The work week is longer today than it has been since June, 1930, but is still considerably shorter than in pre-depression years. It is also 16% shorter than at the beginning of World War I.

ROBERT A. SAYRE  
Division of Industrial Economics



## Earnings, Hours, Employment and Payrolls in Manufacturing, September, 1942

**NEW PEAKS** in earnings, employment, man hours and payrolls were reached in September, according to THE CONFERENCE BOARD's regular monthly survey of twenty-five manufacturing industries. The average number of hours worked in one week in September, although substantially lower than in pre-depression years, was higher than in any other month since June, 1930.

### HOURLY AND WEEKLY EARNINGS

September hourly earnings of workers in the twenty-five manufacturing industries were 26.1% higher than they had been in January, 1941. At \$.957, they were 32.9% higher than in August, 1939, the month before the outbreak of hostilities in Europe. This rise was caused principally by wage-rate increases granted during the period. Changes in hourly earnings also reflect changes in overtime and bonus payments. But even if all time worked in excess of forty hours per week were paid for at double-time rates, only a 17% rise in hourly earnings could be attributed to overtime, since only 43.4 hours on an average were worked per week in September. Since a large portion of the overtime worked was undoubtedly paid for at the time and one-half rate, the effect of increased overtime payments was relatively small. Since November, 1941, however, such earnings have advanced 11.3%; they can be attributed largely to payments caused by the acceleration of production necessitated by our entrance into the war.

Average weekly earnings—which reflect changes in the length of the work week, as well as in hourly earnings—stood at \$41.78 in September. They are 36.5% greater than in January, 1941, 53.1% more than in August, 1939, and 16.9% higher than in November, 1941. "Real" weekly earnings measure the purchasing power of dollar weekly income, for they take into account changes in the cost of commodities and services as well as the number of actual dollars received. In spite of higher living costs, real weekly earnings have considerably increased. From January, 1941, to this September, they advanced 19.1%, exceeding those of August, 1939, by 30.4% and of November, 1941, by 10.1%.

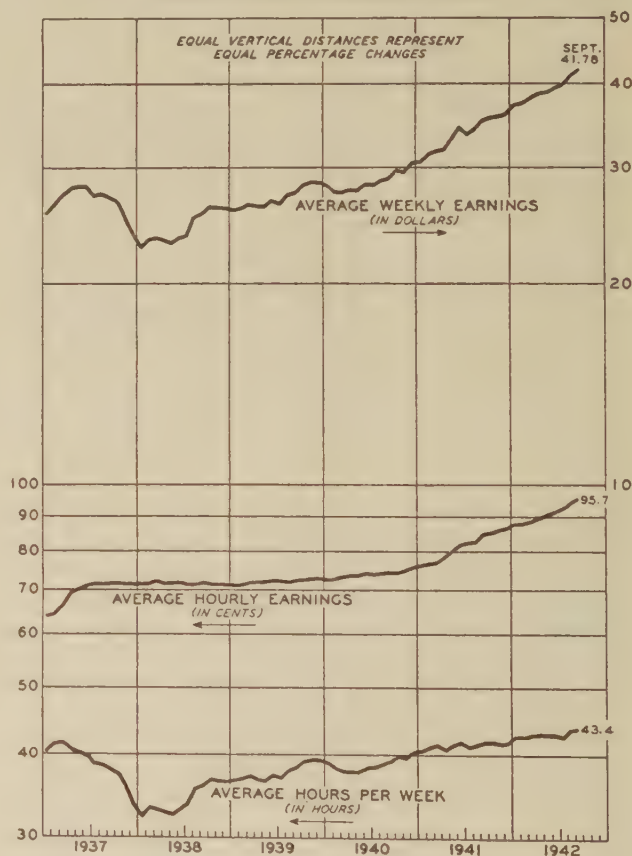
### EMPLOYMENT, MAN HOURS AND PAYROLLS

The number of employed manufacturing workers has been increasing constantly since August, 1939, according to this study. During the first four months of the war in Europe, employment surged upward at the average rate of 3.6% per month. From January, 1940,

through May, 1940, a reversal of trend took place and employment was curtailed at the average rate of 0.7% per month. The over-all change in employment up to May, 1940, was an increase of 11.1%. With the subsequent introduction of our defense program and our entrance into the war, employment has risen in each consecutive month except July, 1940, and December, 1941, when only fractional declines were recorded.

### EARNINGS AND HOURS IN 25 MANUFACTURING INDUSTRIES

Source: THE CONFERENCE BOARD



Total employment gains from May, 1940, to September, 1942, amounted to 49.1%, with gains of 9.6% having occurred since November, 1941. The aggregate increase in employment since August, 1939, amounted to 65.8%.

Total man hours worked necessarily showed even larger rises in the same period, since they reflect changes in the length of the work week as well as in the



## EARNINGS, HOURS, EMPLOYMENT, PAYROLLS, ALL WAGE EARNERS, 25 MANUFACTURING INDUSTRIES

NOTE: Hourly earnings are not wage rates, because they include overtime and incentive payments

Date	Average Hourly Earnings	Average Weekly Earnings	Average Actual Hours per Week per Wage Earner	Average Nominal Hours per Week per Wage Earner	Index Numbers, 1925=100							
					Hourly Earnings		Weekly Earnings		Actual Hours per Week per Wage Earner	Employ- ment	Total Man Hours	Payrolls
					Actual	Real	Actual	Real				
1941 September.....	\$ .845	\$35.10	41.6	40.6	156.2	172.0	131.9	145.3	84.6	125.3	106.0	165.3
October.....	.853	35.65	41.7	40.6	157.7	171.4	134.0	145.7	84.8	126.7	107.4	169.8
November.....	.860	35.74	41.5	40.6	159.0	171.2	134.3	144.6	84.3	127.4	107.4	171.1
December.....	.868	36.08	41.6	40.7	160.4	172.1	135.6	145.5	84.6	126.8	107.3	171.9
1942 January.....	.878	37.47	42.4	40.8	162.3	171.7	140.8	149.0	86.2	127.9	110.2	180.1
February.....	.880	37.53	42.4	40.9	162.7	171.1	141.0	148.3	86.2	128.8	111.0	181.6
March.....	.888	38.14	42.7	41.0	164.1	170.8	143.3	149.1	86.8	130.0	112.8	186.3
April.....	.896	38.68	42.8	41.0	165.6	170.5	145.4	149.7	87.0	131.5	114.4	191.2
May.....	.906	39.00	42.7	41.2	167.5	172.1	146.6	150.7	86.8	132.5	115.0	194.2
June.....	.917	39.52	42.7	41.2	169.5	174.2	148.5	152.6	86.8	134.2	116.5	199.3
July.....	.928	39.80	42.6	41.2	171.5	175.4	149.6	153.0	86.6	135.7	117.5	203.0
August.....	.940 <sub>r</sub>	40.87	43.2 <sub>r</sub>	41.2	173.8 <sub>r</sub>	177.2 <sub>r</sub>	153.6	156.6	87.8 <sub>r</sub>	137.9 <sub>r</sub>	121.1 <sub>r</sub>	211.8 <sub>r</sub>
September.....	.957	41.78	43.4	41.3	176.9	179.4	157.0	159.2	88.2	139.6	123.1	219.2

<sub>r</sub>Revised

## EARNINGS AND HOURS, ALL WAGE EARNERS, SEPTEMBER, 1942

NOTE: Hourly earnings are not wage rates, because they include overtime and incentive payments

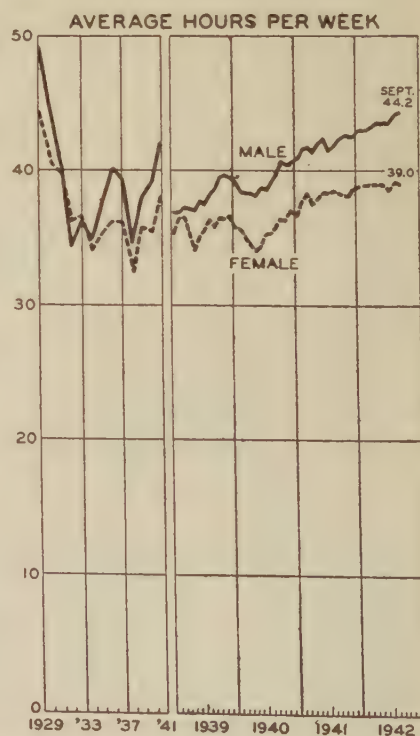
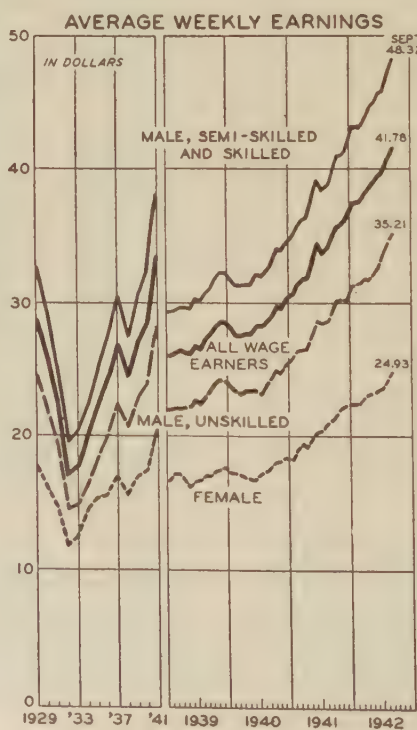
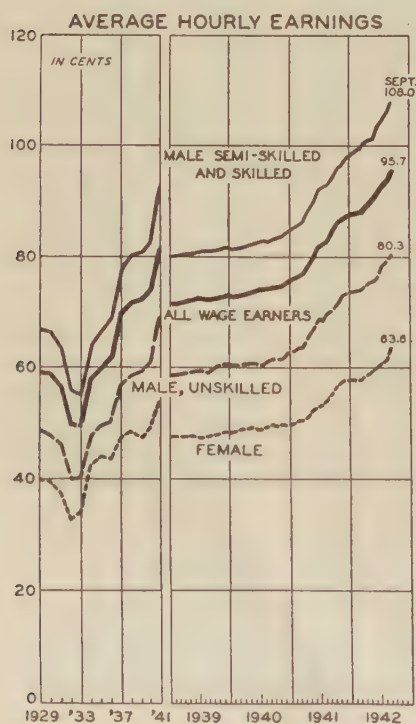
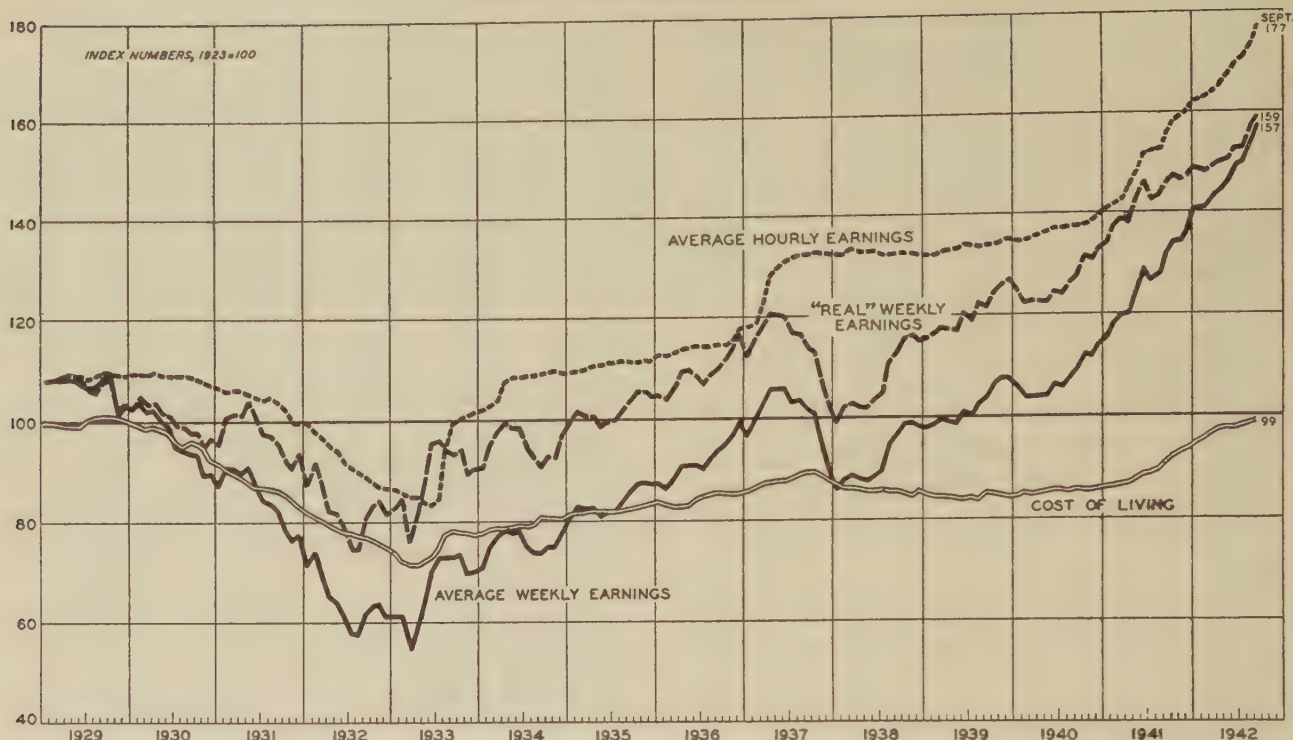
INDUSTRY	Average Earnings				Average Hours per Week per Wage Earner			
	Hourly		Weekly		Actual		Nominal	
	Sept.	Aug.	Sept.	Aug.	Sept.	Aug.	Sept.	Aug.
Agricultural implement.....	\$1.042	\$1.015	\$46.02	\$44.12	44.2	43.4	43.0	42.9
Automobile <sup>1</sup> .....	1.260	1.235 <sub>r</sub>	55.28	56.65 <sub>r</sub>	43.9	45.9 <sub>r</sub>	41.5	41.5 <sub>r</sub>
Boot and shoe.....	.684	.677	25.76	26.03 <sub>r</sub>	37.7	38.4	40.4	40.4
Chemical.....	.961	.952	39.91	39.45	41.5	41.4	40.6	40.2
Rayon and allied products.....	.863	.854	34.49	34.02	40.0	39.8	41.1	40.2
Cotton—North.....	.729	.670 <sub>r</sub>	31.03	28.05 <sub>r</sub>	42.6	41.8 <sub>r</sub>	40.5	40.5
Electrical manufacturing.....	1.058	1.023	48.88	47.23 <sub>r</sub>	46.2	46.2 <sub>r</sub>	41.0	41.0
Furniture <sup>2</sup> .....	.838	.841	35.89	36.96	42.8	44.0	40.9	40.9
Hosiery and knit goods.....	.669	.657 <sub>r</sub>	25.70	25.25 <sub>r</sub>	38.4	38.5	40.4	40.1
Iron and steel <sup>3</sup> .....	1.086	1.100	43.22	41.36	39.8	37.6	41.2	41.1
Leather tanning and finishing.....	.822	.808	33.98	32.72	41.3	40.5	42.6	42.1
Lumber and millwork.....	.984	.977	46.28	44.05	47.0	45.1	41.1	41.1
Meat packing.....	.828	.815 <sub>r</sub>	33.26	31.93	40.2	39.2 <sub>r</sub>	40.1	40.0
Paint and varnish.....	.883	.871 <sub>r</sub>	36.53	36.44 <sub>r</sub>	41.4	41.8 <sub>r</sub>	40.0	40.0
Paper and pulp.....	.836	.835	35.71	34.66	42.7	41.5	40.5	40.3
Paper products.....	.780	.765 <sub>r</sub>	31.95	31.19 <sub>r</sub>	41.0	40.8	40.3	40.3
Printing—book and job.....	.897	.858	37.96	35.95	42.3	41.9	39.8	39.8
Printing—news and magazine.....	1.063	1.031	41.57	39.71	39.1	38.5	39.7	39.7
Rubber.....	1.024	1.022	42.70	42.19	41.7	41.3	39.2	39.1
1. Rubber tires and tubes.....	1.134	1.123	47.60	46.81	42.0	41.7	38.9	38.8
2. Other rubber products.....	.862	.869 <sub>r</sub>	35.60	35.31 <sub>r</sub>	41.3	40.6 <sub>r</sub>	39.5	39.4
Silk and rayon.....	.659	.688	25.22	25.76	38.3	40.4	40.3	40.4
Wool.....	.829	.815 <sub>r</sub>	34.37	33.68 <sub>r</sub>	41.4	41.3	40.2	40.2
1. Woolen and worsted goods.....	.818	.812 <sub>r</sub>	33.59	33.66 <sub>r</sub>	41.1	41.5	40.0	40.0
2. Other woolen products <sup>4</sup> .....	.851	.823 <sub>r</sub>	35.79	33.73 <sub>r</sub>	42.1	41.0	40.7	40.7
Foundries and machine shops.....	1.039	1.015 <sub>r</sub>	49.13	48.26	47.3	47.6 <sub>r</sub>	43.2	43.1
1. Foundries.....	.992	.977 <sub>r</sub>	46.23	45.20 <sub>r</sub>	46.7	46.2	42.2	42.1
2. Machines and machine tools.....	1.046	1.034	51.80	51.51 <sub>r</sub>	49.5	49.8	44.9	44.9
3. Heavy equipment.....	1.107	1.081 <sub>r</sub>	53.32	52.21 <sub>r</sub>	48.2	48.3 <sub>r</sub>	43.0	42.9
4. Hardware and small parts.....	.964	.933	43.56	43.17	45.2	46.0	41.2	41.2
5. Other products.....	1.021	.990 <sub>r</sub>	47.31	46.20 <sub>r</sub>	46.4	46.7 <sub>r</sub>	43.3	43.2
25 INDUSTRIES.....	\$ .957	\$ .940 <sub>r</sub>	\$41.78	\$40.87	43.4	43.2 <sub>r</sub>	41.3	41.2
Cement.....	.833	.824	\$32.63	\$32.64	39.2	39.6	39.6	39.6
Petroleum refining.....	1.187	1.150	45.23	43.27	38.1	37.6	37.8	36.9
27 INDUSTRIES.....	\$ .959	\$ .942 <sub>r</sub>	\$41.76	\$40.84	43.3	43.1 <sub>r</sub>	41.2	41.2 <sub>r</sub>
Aircraft.....	.978	.960 <sub>r</sub>	\$45.87	\$45.28 <sub>r</sub>	46.9	47.2	46.8	46.8
Shipbuilding.....	1.214	1.203 <sub>r</sub>	58.07	56.94 <sub>r</sub>	47.8	47.4	47.7	47.6

See footnotes on page 373



## WAGE EARNINGS IN TWENTY-FIVE MANUFACTURING INDUSTRIES

Source: THE CONFERENCE BOARD





## EARNINGS, EMPLOYMENT, MAN HOURS, AND PAYROLLS, ALL WAGE EARNERS, SEPTEMBER, 1942

Index Numbers, 1923=100

NOTE: Hourly earnings are not wage rates, because they include overtime and incentive payments

INDUSTRY	Average Earnings						Employment		Total Man Hours Worked		Payrolls	
	Hourly, Actual		Weekly									
			Actual		Real							
	Sept.	Aug.	Sept.	Aug.	Sept.	Aug.	Sept.	Aug.	Sept.	Aug.	Sept.	Aug.
Agricultural implement.....	187.4	182.6	167.3	160.4	169.7	163.5	140.6	142.8	125.6	125.2	235.2	229.1
Automobile <sup>1</sup> .....	199.4	195.4 <sub>r</sub>	183.4	188.0 <sub>r</sub>	186.0	191.6 <sub>r</sub>	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Boot and shoe.....	138.2	136.8	114.0	115.2 <sub>r</sub>	115.6	117.4 <sub>r</sub>	95.3	96.9	78.8	81.6	108.6	111.6 <sub>r</sub>
Chemical.....	189.9	188.1	148.3	146.6	150.4	149.4	161.8	161.7	126.2	125.8	239.9	237.1
Cotton—North.....	163.8	150.6 <sub>r</sub>	146.1	132.1 <sub>r</sub>	148.2	134.7 <sub>r</sub>	49.2	48.7 <sub>r</sub>	43.8	42.6 <sub>r</sub>	71.9	64.3
Electrical manufacturing.....	186.3	180.1	180.4	174.3 <sub>r</sub>	183.0	177.7 <sub>r</sub>	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Furniture <sup>2</sup> .....	162.1	162.7	143.9	148.2	145.9	151.1	100.7	97.9	89.4	89.4	144.9	145.1
Hosiery and knit goods.....	175.1	172.0 <sub>r</sub>	145.4	142.9 <sub>r</sub>	147.5	145.7 <sub>r</sub>	101.0	101.5 <sub>r</sub>	83.7	84.4 <sub>r</sub>	146.9	145.0
Iron and steel <sup>3</sup> .....	182.2	184.6	126.3	120.9	128.1	123.2	128.9	130.4	88.9	85.0	162.8	157.7
Leather tanning and finishing.....	169.1	166.3	146.7	141.3	148.8	144.0	87.1	87.7	75.6	74.6	127.8	123.9
Lumber and millwork.....	208.0	206.6	197.6	188.1	200.4	191.7	68.1	69.3	64.6	63.1	134.6	130.4
Meat packing.....	175.1	172.3 <sub>r</sub>	141.3	135.6	143.3	138.2	154.7	157.8 <sub>r</sub>	125.2	124.5 <sub>r</sub>	218.6	214.0 <sub>r</sub>
Paint and varnish.....	165.4	163.1 <sub>r</sub>	137.5	137.1 <sub>r</sub>	139.5	139.8 <sub>r</sub>	138.1	137.8 <sub>r</sub>	114.8	115.6 <sub>r</sub>	189.9	188.9 <sub>r</sub>
Paper and pulp.....	165.9	165.7	136.9	132.9	138.8	135.5	116.6	120.7	96.1	96.7	159.6	160.4
Paper products.....	171.1	167.8 <sub>r</sub>	146.7	143.2	148.8	146.0	158.2	163.2	136.2	139.9	232.1	233.7
Printing—book and job.....	137.4	131.4	126.7	120.0	128.5	122.3	112.2	117.1	103.4	106.9	142.2	140.5
Printing—news and magazine.....	153.4	148.8	133.1	127.2	135.0	129.7	120.9	120.7	105.1	103.3	160.9	153.5
Rubber.....	163.6	163.3	152.3	150.5	154.5	153.4	101.8	99.7 <sub>r</sub>	94.8	91.9 <sub>r</sub>	155.0	150.0 <sub>r</sub>
Silk and rayon.....	132.9	128.6	109.5	111.9	111.1	114.1	82.7	82.8	68.1	72.0	90.6	92.7
Wool.....	164.2	161.4 <sub>r</sub>	143.4	140.5 <sub>r</sub>	145.4	143.2 <sub>r</sub>	85.0	83.8	74.1	72.8	121.9	117.7 <sub>r</sub>
Foundries and machine shops.....	181.3	177.1 <sub>r</sub>	173.2	170.1	175.7	173.4	227.7	222.1 <sub>r</sub>	217.2	213.2 <sub>r</sub>	394.4	376.8
1. Foundries.....	168.1	165.6 <sub>r</sub>	156.3	152.7 <sub>r</sub>	158.5	155.7 <sub>r</sub>	145.0	142.1 <sub>r</sub>	134.9	130.7 <sub>r</sub>	226.6	217.0 <sub>r</sub>
2. Machines and machine tools.....	190.5	188.3	189.7	188.7 <sub>r</sub>	192.4	192.4 <sub>r</sub>	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
3. Heavy equipment.....	165.2	161.3 <sub>r</sub>	161.5	158.1 <sub>r</sub>	163.8	161.2 <sub>r</sub>	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
4. Hardware and small parts.....	188.3	183.2	175.6	174.0	178.1	177.4	204.1	203.2	190.2	192.6	358.4	353.6
5. Other products.....	182.3	176.8 <sub>r</sub>	173.1	169.0 <sub>r</sub>	175.6	172.3 <sub>r</sub>	250.9	241.9 <sub>r</sub>	238.6	231.5 <sub>r</sub>	434.3	408.8 <sub>r</sub>
25 INDUSTRIES.....	176.9	173.8 <sub>r</sub>	157.0	153.6	159.2	156.6	139.6	137.9 <sub>r</sub>	123.1	121.1 <sub>r</sub>	219.2	211.8 <sub>r</sub>

NOTE: No basic 1923 data are available, hence no indexes are given for the following: rubber tires and tubes, other rubber products, woolen and worsted goods, other woolen products, cement, petroleum refining, and "27 Industries." See footnotes on page 373

number employed. Man hours worked per week in September totaled 14.6% more than in November, 1941, and 90% more than in August, 1939.

Manufacturing payrolls stood at \$219.2 (1923=100) in September. This index figure reflects rises in hourly earnings, employment and hours of work. Payrolls in September were 28.1% larger than in November, 1941, and 153.7% higher than in August, 1939.

## THE WORK WEEK

Since the question of a suspension of the 40-hour work week is being discussed in Congress, it seems timely to examine closely the actual data shown in these surveys. The average work week in September amounted on an average to only 43.4 hours in the twenty-five industries, but in nine defense industries this average was exceeded. The average work week in the aircraft and shipbuilding industries was 46.9 and 47.8 hours, respectively. In the machine and machine tool industry and heavy equipment branches of foundries more than 48 hours were worked. On the other hand, in non-defense industries such as news and magazine printing, hosiery

and knit goods, silk and rayon and boot and shoe manufacturing, a work week of fewer than 40 hours tended to pull down the average. Iron and steel workers averaged only 39.8 hours per shift per week in September, but in most instances three shifts were used and the mills were operated at capacity production. In eleven industries, more than 40 hours but less than 43 hours were worked. Nine of them were engaged largely in the manufacture of civilian goods while the remaining two, rubber and chemicals, were engaged to a greater extent in defense production. Before July, 1930, an average of more than 44 hours per week was worked in the twenty-five industries as a whole, although in many of the individual industries fewer than 40 hours per week were worked in some months. The effect of the seasonal production pattern was very marked in this period. In slow periods, hours worked were reduced well below forty per week, although in peak months they often exceeded fifty. In addition, employment was curtailed in off-peak months. In periods of expanding production, consequently, peaks in hours worked preceded employment peaks by several months.



## EARNINGS AND HOURS, MALE AND FEMALE WAGE EARNERS, SEPTEMBER, 1942

NOTE: Hourly earnings are not wage rates, because they include overtime and incentive payments

INDUSTRY	ALL MALE						FEMALE					
	Average Earnings				Average Hours per Week per Wage Earner		Average Earnings				Average Hours per Week per Wage Earner	
	Hourly		Weekly				Hourly		Weekly			
	Sept.	Aug.	Sept.	Aug.	Sept.	Aug.	Sept.	Aug.	Sept.	Aug.	Sept.	Aug.
Agricultural implement.....	\$1.048	\$1.020	\$46.35	\$44.39	44.2	43.5	\$.786	\$.771	\$32.43	\$31.69	41.3	41.1
Automobile <sup>1</sup> .....	1.289	1.266 <sub>r</sub>	56.97	58.49 <sub>r</sub>	44.2	46.2 <sub>r</sub>	.878	.830 <sub>r</sub>	34.51	34.86 <sub>r</sub>	39.3	42.0 <sub>r</sub>
Boot and shoe.....	.782	.779 <sub>r</sub>	30.04	30.71 <sub>r</sub>	38.4	39.4	.559	.553 <sub>r</sub>	20.23	20.55 <sub>r</sub>	36.2	37.1
Chemical.....	1.017	1.004	42.59	42.03	41.9	41.9	.655	.640	25.50	24.43	39.0	38.2
Rayon and allied products.....	.937	.925	38.09	37.62	40.7	40.7	.633	.622	24.03	23.28	38.0	37.5
Cotton—North.....	.785	.731 <sub>r</sub>	34.87	31.92 <sub>r</sub>	44.4	43.7 <sub>r</sub>	.660	.591 <sub>r</sub>	26.79	23.47 <sub>r</sub>	40.6	39.7 <sub>r</sub>
Electrical manufacturing.....	1.145	1.106	54.07	52.15 <sub>r</sub>	47.2	47.1 <sub>r</sub>	.766	.722	33.08	31.06 <sub>r</sub>	43.2	43.0 <sub>r</sub>
Furniture <sup>2</sup> .....	.855	.857	36.85	38.05	43.1	44.4	.577	.585	21.93	22.00	38.0	37.6
Hosiery and knit goods.....	.851	.833 <sub>r</sub>	34.48	33.73 <sub>r</sub>	40.5	40.5	.548	.537 <sub>r</sub>	20.53	20.12 <sub>r</sub>	37.5	37.5
Iron and steel <sup>3</sup> .....	1.086	1.100	43.22	41.36	39.8	37.6	.....	.....	.....	.....	.....	.....
Leather tanning and finishing.....	.844	.828	35.23	33.98	41.8	41.1	.669	.653	25.58	23.87	38.3	36.5
Lumber and millwork.....	.984	.977	46.28	44.05	47.0	45.1	.....	.....	.....	.....	.....	.....
Meat packing.....	.867	.852 <sub>r</sub>	35.35	33.89 <sub>r</sub>	40.8	39.8 <sub>r</sub>	.655	.648 <sub>r</sub>	24.74	23.62 <sub>r</sub>	37.8	36.5 <sub>r</sub>
Paint and varnish.....	.898	.886 <sub>r</sub>	37.54	37.30 <sub>r</sub>	41.8	42.1 <sub>r</sub>	.653	.640 <sub>r</sub>	22.92	24.06 <sub>r</sub>	35.1	37.6 <sub>r</sub>
Paper and pulp.....	.856	.855	36.88	35.67	43.1	41.7	.583	.578	22.21	21.66	38.1	37.5
Paper products.....	.878	.856	37.07	36.07 <sub>r</sub>	42.2	42.2	.564	.549 <sub>r</sub>	21.74	20.81 <sub>r</sub>	38.5	37.9
Printing—book and job.....	1.016	.967	43.48	41.10	42.8	42.5	.540	.531	21.98	21.19	40.7	39.9
Printing—news and magazine.....	1.128	1.094	44.11	42.25	39.1	38.6	.637	.608	25.00	22.98	39.2	37.8
Rubber.....	1.157	1.148	49.83	49.26 <sub>r</sub>	43.1	42.9	.722	.719	28.08	27.19	38.9	37.8
1. Rubber tires and tubes.....	1.222	1.209	52.66	52.18	43.1	43.2	.809	.797	30.88	29.40	38.2	36.9
2. Other rubber products.....	1.023	1.022 <sub>r</sub>	43.93	43.27 <sub>r</sub>	42.9	42.4	.662	.661 <sub>r</sub>	26.06	25.45	39.4	38.5
Silk and rayon.....	.745	.718	29.75	29.48	39.9	41.0	.513	.507	18.31	19.99	35.7	39.4
Wool.....	.886	.864	37.66	36.80	42.5	42.6	.721	.711 <sub>r</sub>	28.09	27.11 <sub>r</sub>	38.9	38.1
1. Woolen and worsted goods.....	.869	.862	36.39	36.28	41.9	42.1	.731	.726	28.47	28.65	39.0	39.5
2. Other woolen products <sup>4</sup> .....	.905	.866	39.21	37.43	43.3	43.2	.701	.673 <sub>r</sub>	27.27	23.53 <sub>r</sub>	38.9	35.0
Foundries and machine shops.....	1.066	1.038 <sub>r</sub>	50.87	49.74	47.7	47.9 <sub>r</sub>	.719	.707	30.79	30.79 <sub>r</sub>	42.8	43.5
1. Foundries.....	.997	.983 <sub>r</sub>	46.64	45.59 <sub>r</sub>	46.8	46.4	.734	.709	31.78	28.66	43.3	40.5
2. Machines and machine tools.....	1.070	1.051	53.70	52.91 <sub>r</sub>	50.2	50.4	.713	.755	30.02	31.97	42.1	42.3
3. Heavy equipment.....	1.107	1.081 <sub>r</sub>	53.32	52.21 <sub>r</sub>	48.2	48.3 <sub>r</sub>	.....	.....	.....	.....	.....	.....
4. Hardware and small parts.....	1.020	.992	47.28	46.54	46.4	46.9	.695	.681	27.91	28.60	40.2	42.0
5. Other products.....	1.063	1.025 <sub>r</sub>	49.58	48.10 <sub>r</sub>	46.7	46.9 <sub>r</sub>	.731	.707 <sub>r</sub>	32.34	31.67 <sub>r</sub>	44.2	44.8 <sub>r</sub>
25 INDUSTRIES.....	\$1.023	\$1.004	\$45.38	\$44.35 <sub>r</sub>	44.2	44.0 <sub>r</sub>	\$.636	\$.617 <sub>r</sub>	\$24.93	\$24.20 <sub>r</sub>	39.0	39.1
Cement.....	.833	.824	\$32.63	\$32.64	39.2	39.6	.....	.....	.....	.....	.....	.....
Petroleum refining.....	1.187	1.150	45.23	43.27	38.1	37.6	.....	.....	.....	.....	.....	.....
27 INDUSTRIES.....	\$1.024	\$1.005	\$45.27	\$44.24 <sub>r</sub>	44.1	43.9	.....	.....	.....	.....	.....	.....
Aircraft.....	\$1.020	\$.992 <sub>r</sub>	\$43.25	\$47.32 <sub>r</sub>	47.3	47.7	\$.800	\$.777 <sub>r</sub>	\$36.08	\$34.50 <sub>r</sub>	45.1	44.4
Shipbuilding.....	1.214	1.203 <sub>r</sub>	58.07	56.94 <sub>r</sub>	47.8	47.4	.....	.....	.....	.....	.....	.....

See footnotes on page 373

For the twenty-five industries as a whole, total man hours worked showed average variations of more than 15% from peak months to slow months in the years 1920 to 1929. Since then, the effect of the depression, the NRA, stronger unionization, and the wage-hour act served to spread the work so that both the length of the work week and employment remained fairly stable.

Since both employment and the average number of hours worked in one week have been rising since August, 1939, it is questionable whether a further expansion of the work week would be desirable in non-defense industries. With the defense industries working 44 hours or more, as well as working second and third shifts in many cases, the immediate result of a suspension of the 40-hour week would be a reduction in war costs through elimination of overtime payments.

## LABOR STATISTICS IN SEPTEMBER

Hourly earnings which rose 1.8% to \$.957 in September, were 13.3% above those of September, 1941, and 62.2% above 1929 earnings.

Weekly earnings averaged \$41.78 in September. They exceeded the August level by 2.2%, the September, 1941, level by 19.0% and average weekly earnings for the year 1929 by 46.3%.

Hours per week rose on an average 0.5% in September. They were 4.3% higher than in September of last year and 10.1% below the average for 1929.

"Real" weekly earnings, which are dollar weekly earnings in terms of the commodities and services they will purchase, advanced 1.7% in September, 9.6% in the year-period and 48.5% over the 1929 average.



## EARNINGS AND HOURS, UNSKILLED AND SKILLED AND SEMI-SKILLED MALE WAGE EARNERS, SEPTEMBER, 1942

NOTE: Hourly earnings are not wage rates, because they include overtime and incentive payments

INDUSTRY	UNSKILLED						SKILLED AND SEMI-SKILLED					
	Average Earnings				Average Hours per Week per Wage Earner		Average Earnings				Average Hours per Week per Wage Earner	
	Hourly		Weekly				Hourly		Weekly			
	Sept.	Aug.	Sept.	Aug.	Sept.	Aug.	Sept.	Aug.	Sept.	Aug.	Sept.	Aug.
Agricultural implement.....	\$ .839	\$ .832	\$35.69	\$34.76	42.5	41.8	\$1.077	\$1.047	\$47.90	\$45.80	44.5	43.7
Automobile <sup>1</sup> .....	1.080	1.079r	48.28	50.28r	44.7	46.6r	1.317	1.291r	58.08	59.52r	44.1	46.1r
Boot and shoe.....	.446	.445	16.77	16.38	37.6	36.8	.796	.793r	30.57	31.32r	38.4	39.5
Chemical.....	.865	.848	36.00	34.95	41.6	41.2	1.068	1.055	44.80	44.40	42.0	42.1
Rayon and allied products.....	.672	.669	26.15	25.80	38.9	38.6	.972	.960	39.79	39.33	40.9	41.0
Cotton—North.....	.705	.678r	31.03	29.33r	44.0	43.3r	.822	.753r	36.63	33.03r	44.6	43.8r
Electrical manufacturing.....	.852	.849	39.11	38.80r	45.9	45.7r	1.178	1.135	55.72	53.69r	47.3	47.3r
Furniture <sup>2</sup> .....	.735	.730	32.19	34.16	43.8	46.8	.885	.889	37.97	38.94	42.9	43.8
Hosiery and knit goods.....	.530	.529	22.12	21.42	41.7	40.5	.889	.869r	35.87	35.16r	40.4	40.5
Iron and steel <sup>3</sup> .....	.811	.829r	31.14	30.26r	38.4	36.5r	1.135	1.148r	45.51	43.39r	40.1	37.8
Leather tanning and finishing.....	.641	.617	26.30	25.17	41.1	40.8	.885	.872	36.65	35.20	41.4	40.4
Lumber and millwork.....	.734	.718	32.91	31.41	44.8	43.8	1.044	1.046	50.08	48.11	48.0	46.0
Meat packing.....	.742	.732r	29.46	28.47r	39.7	38.9r	.934	.917r	38.67	36.96	41.4	40.3r
Paint and varnish.....	.758	.747r	31.08	30.40r	41.0	40.7r	.973	.961r	41.06	41.13r	42.2	42.8r
Paper and pulp.....	.721	.719	30.04	29.02	41.7	40.3	.914	.914	39.91	38.56	43.7	42.2
Paper products.....	.701	.680	29.01	27.76	41.4	40.8	.935	.915	39.70	38.99r	42.5	42.6
Printing—book and job.....	.615	.580	26.51	25.40	43.1	43.8	1.150	1.096	49.11	46.14	42.7	42.1
Printing—news and magazine.....	.738	.675	28.74	25.65	38.9	38.0	1.241	1.216	48.59	47.16	39.1	38.8
Rubber.....	.847	.827r	36.17	34.73	42.7	42.0r	1.166	1.158	50.22	49.73	43.1	42.9r
1. Rubber tires and tubes.....	.949	.905	39.29	37.56	41.4	41.5	1.228	1.217	53.00	52.62	43.2	43.2
2. Other rubber products.....	.692	.690r	31.22	29.73r	45.1	43.1r	1.036	1.034r	44.40	43.78r	42.9	42.3r
Wool.....	.733	.723	30.39	30.07	41.4	41.6	.957	.934	41.23	40.24	43.1	43.1
1. Woolen and worsted goods.....	.761	.755	31.18	31.30	41.0	41.5	.939	.933	39.83	39.70	42.4	42.5
2. Other woolen products <sup>4</sup> .....	.631	.663	28.84	27.71	42.3	41.8	.975	.934	42.60	40.77	43.7	43.7
Foundries and machine shops.....	.876	.857r	41.32	40.27r	47.2	47.0r	1.112	1.082r	53.91	52.75r	48.5	48.8
1. Foundries.....	.810	.797r	36.68	35.98r	45.3	45.1	1.075	1.059r	50.97	49.67r	47.4	46.9
2. Machines and machine tools.....	.942	.937r	47.02	47.13r	49.9	50.3r	1.109	1.081	55.87	55.01r	50.4	50.9
3. Heavy equipment.....	.862	.846r	40.34	39.80r	46.8	47.0r	1.156	1.126r	56.55	55.08r	48.9	48.9r
4. Hardware and small parts.....	.821	.800	38.74	37.31	47.2	46.7	1.042	1.013	48.35	47.78	46.4	47.2
5. Other products.....	.925	.883r	43.78	40.75r	47.3	46.1r	1.104	1.068r	52.77	51.58r	47.8	48.3r
24 INDUSTRIES <sup>5</sup> .....	\$ .803	\$ .791r	\$35.21	\$34.45	43.7	43.4r	\$1.080	\$1.061	\$48.32	\$47.28r	44.6	44.5
Cement.....	\$ .736	\$ .733	\$28.81	\$28.99	39.2	39.3	\$ .848	\$ .838	\$33.22	\$33.24	39.2	39.7
Petroleum refining.....	.893	.887	33.76	32.82	37.8	37.0	1.239	1.196	47.33	45.09	38.2	37.7
26 INDUSTRIES <sup>6</sup> .....	\$ .803	\$ .791r	\$35.14	\$34.38	43.6	43.3r	\$1.081	\$1.062r	\$48.18	\$47.13r	44.5	44.3
Aircraft.....	\$ .971	\$ .945r	\$44.96	\$43.94r	46.3	46.5	\$1.021	\$ .993r	\$48.29	\$47.37r	47.3	47.7
Shipbuilding.....	1.029	1.018r	49.49	48.46r	48.1	47.6	1.290	1.278r	61.53	60.45r	47.7	47.3

NOTE: The wage data here given are for cash payments only and do not take into consideration the value of such wage equivalents as reduced or free house rents or other special services rendered by the company to employees. Various forms of wage equivalents are in use in industrial establishments in many localities, but the part which they play as compensation for work performed cannot be taken into account in a study of this character.

<sup>1</sup>Based on data collected by the Automobile Manufacturers Association and THE CONFERENCE BOARD; revised data since Jan. 1941, available upon request.<sup>2</sup>Includes wood, metal, and upholstered household and office furniture.<sup>3</sup>Based on data collected by the American Iron and Steel Institute and THE CONFERENCE BOARD.<sup>4</sup>Silk and rayon industry not included, as adequate data for unskilled and skilled groups are not available for this industry.<sup>5</sup>n.a. Not available for publication; included in total indexes.<sup>6</sup>Principally rugs.<sup>r</sup>Preliminary<sup>r</sup>Revised

Employment gains in September amounted to 1.2%. The September level was 11.4% higher than in the previous September, and 38.2% higher than in 1929.

Man hours, in rising 1.7% in September, surpassed the September, 1941, level by 16.1% and the 1929 average by 24.1%.

Payrolls stood at 219.2 (1923 = 100) in September. As compared with the previous month, they have risen 3.5%. Although they have advanced 32.6% since September, 1941, they have increased 102.2% since 1929.

In general, the position of the manufacturing worker was better in September than ever before. He worked 43.4 hours per week at \$.957 per hour and received \$41.78 in his pay envelope. When changes in living costs are considered, his real weekly income was greater than in any previous month. Moreover, a substantially larger number of persons were at work and received these higher earnings. As a result, total man hours worked and total payrolls were the highest recorded since these surveys were begun.

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## Cost of Living, United States and 70 Cities, October

**L**IVING COSTS for wage earners' families in the United States showed a further increase of 0.9% between September 15 and October 15. Food prices increased 2.5%, the largest monthly advance so far this year and were again mainly responsible for the rise in the weighted average of all items. Clothing and sundry costs each advanced 0.1%. Housing costs continued at the same level for the fourth consecutive month. Prices of the fuel and light group were also unchanged. THE CONFERENCE BOARD's cost of living index is now 99.5% of the 1923 level, 8.2% higher than it was a year ago, and 15.7% above January, 1941. The purchasing value of

the 1923 dollar amounted to 100.5 cents on October 15, 101.4 cents on September 15, and 108.7 cents a year ago.

The cost of living in all cities surveyed by THE CONFERENCE BOARD rose over the month, except in Seattle where no change occurred. The largest rise was 2.2%, recorded in Flint, Michigan. Living costs since a year ago increased in all sixty-eight cities for which data are available. These gains ranged from 11.5% in Toledo down to 5.6% in Newark.

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### CHANGES IN THE COST OF LIVING, OCTOBER, 1942

ITEM	Budgetary Weights <sup>1</sup>	Index Numbers, 1923=100			Percentage Changes	
		October, 1942	September, 1942	October, 1941	September, 1942 to October, 1942	October, 1941 to October, 1942
Food <sup>2</sup> .....	33	105.4	102.8	90.7	+2.5	+16.2
Housing.....	20	90.8	90.8	89.2	0	+1.8
Clothing.....	12	88.5	88.4	78.3	+0.1	+13.0
Men's.....	..	97.9	97.8	86.2	+0.1	+13.6
Women's.....	..	79.0	78.9	70.4	+0.1	+12.2
Fuel and light.....	5	90.5	90.5	90.0	0	+0.6
Coal.....	..	92.9	92.9	92.0	0	+1.0
Gas and electricity <sup>3</sup> .....	..	85.7	85.7	85.9	0	-0.2
Sundries.....	30	104.8	104.7	101.5	+0.1	+3.3
Weighted average of all items.....	100	99.5	98.6	92.0	+0.9	+8.2
Purchasing value of dollar.....	..	100.5	101.4	108.7	-0.9	-7.5

<sup>1</sup>Relative importance in post World War I, family budget.

<sup>2</sup>Based on THE CONFERENCE BOARD indexes of food prices, September 15, 1942 and October 15, 1942.

<sup>3</sup>Based on retail prices of 33 kilowatt hours of electricity, 1,000 cubic feet of natural gas, or 2,000 cubic feet of manufactured gas.

### COST OF LIVING OF WAGE EARNERS IN THE UNITED STATES, AND PURCHASING VALUE OF THE DOLLAR

Index Numbers, 1923=100

Date	Weighted Average of All Items	Food	Housing	Clothing			Fuel and Light			Sundries	Purchasing Value of Dollar
				Total	Men's	Women's	Total	Coal	Gas and Electricity		
1941 October.....	92.0	90.7	89.2	78.3	86.2	70.4	90.0	92.0	85.9	101.5	108.7
November.....	92.9	92.2	89.5	79.6	87.3	71.9	90.2	92.4	85.9	101.9	107.6
December.....	93.2	92.6	89.9	80.1	87.8	72.3	90.3	92.5	85.9	102.2	107.3
1942 January.....	94.5	95.2	90.1	82.4	91.4	73.4	90.3	92.6	85.7	102.5	105.8
February.....	95.1	95.7	90.4	84.5	93.6	75.3	90.4	92.7	85.7	102.9	105.2
March.....	96.1	97.5	90.7	85.8	95.2	76.4	90.4	92.8	85.7	103.5	104.1
April.....	97.1	98.8	91.0	88.4	98.3	78.5	90.1	92.3	85.7	104.1	103.0
May.....	97.3	99.1	91.1	88.6	98.0	79.1	90.5	92.9	85.7	104.2	102.8
June.....	97.3	99.5	91.0	88.1	97.8	78.3	90.4	92.8	85.7	104.1	102.8
July.....	97.8	100.3	90.8	88.0	97.6	78.4	90.4	92.8	85.7	105.0	102.2
August.....	98.1	101.1	90.8	88.2	97.7	78.6	90.4	92.8	85.7	105.0	101.9
September.....	98.6	102.8	90.8	88.4	97.8	78.9	90.5	92.9	85.7	104.7	101.4
October.....	99.5	105.4	90.8	88.5	97.9	79.0	90.5	92.9	85.7	104.8	100.5



# **COST OF LIVING OF WAGE EARNERS AND LOWER-SALARIED CLERICAL WORKERS IN 61 CITIES DURING SEPTEMBER AND OCTOBER, 1942**

Source: THE CONFERENCE BOARD

Index Numbers, January, 1939=100

CITY	Index Numbers Jan., 1939=100			Percentage Changes		CITY	Index Numbers Jan., 1939=100			Percentage Changes	
	Oct. 1942	Sept. 1942	Oct. 1941	Sept. 1942 to Oct. 1942	Oct. 1941 to Oct. 1942		Oct. 1942	Sept. 1942	Oct. 1941	Sept. 1942 to Oct. 1942	Oct. 1941 to Oct. 1942
<b>Akron</b>						<b>Chattanooga</b>					
Food.....	134.4	130.2	115.6	+3.2	+16.3	Food.....	149.5	147.2r	123.8	+1.6	+20.8
Housing.....	113.7	113.7	118.7	0	-4.2	Housing.....	103.7	103.7	103.2	0	+0.5
Clothing.....	121.2	121.1	103.7	+0.1	+16.9	Clothing.....	118.2	118.2	105.3	0	+12.3
Fuel and light.....	113.3	113.3	113.0	0	+0.3	Fuel and light.....	104.8	104.8	104.7	0	+0.1
Housefurnishings.....	118.4	118.4	108.4	0	+9.2	Housefurnishings.....	121.5	121.5	114.9	0	+5.7
Sundries.....	106.0	105.8	104.5	+0.2	+1.4	Sundries.....	101.6	101.4	100.1	+0.2	+1.5
Weighted Total.....	119.2	117.8	111.3	+1.2	+7.1	Weighted Total....	118.8	118.1r	109.2	+0.6	+8.8
<b>Atlanta</b>						<b>Chicago</b>					
Food.....	133.9	129.8	119.3	+3.2	+12.2	Food.....	132.8	128.5	117.3	+3.3	+13.2
Housing.....	99.2	99.2	98.8	0	+0.4	Housing.....	105.5	105.5	102.1	0	+3.3
Clothing.....	118.0	117.9	106.0	+0.1	+11.3	Clothing.....	122.2	122.2	107.6	0	+13.6
Fuel and light.....	110.8	110.1	109.5	+0.6	+1.2	Fuel and light.....	99.7	99.7	99.4	0	+0.3
Housefurnishings.....	117.1	117.1	108.6	0	+7.8	Housefurnishings.....	124.7	125.2	114.1	-0.4	+9.3
Sundries.....	105.9	105.8	104.5	+0.1	+1.3	Sundries.....	102.1	102.2	101.3	-0.1	+0.8
Weighted Total.....	115.7	114.3	108.9	+1.2	+6.2	Weighted Total....	115.4	114.0	107.6	+1.2	+7.2
<b>Baltimore</b>						<b>Cincinnati</b>					
Food.....	149.7	146.9	122.9	+1.9	+21.8	Food.....	133.3	130.4	113.1	+2.2	+17.9
Housing.....	107.6	108.0	104.3	-0.4	+3.2	Housing.....	101.5	101.5	100.5	0	+1.0
Clothing.....	120.3	120.3	106.2	0	+13.3	Clothing.....	121.7	121.6	104.6	+0.1	+16.3
Fuel and light.....	106.2	106.2	106.0	0	+0.2	Fuel and light.....	106.2	106.2	106.0	0	+0.2
Housefurnishings.....	130.6	130.6	119.4	0	+9.4	Housefurnishings.....	124.1	124.1	113.6	0	+9.2
Sundries.....	102.5	102.4	101.4	+0.1	+1.1	Sundries.....	104.9	104.7	103.2	+0.2	+1.6
Weighted Total.....	123.3	122.3	111.0	+0.8	+11.1	Weighted Total....	116.7	115.7	106.9	+0.9	+9.2
<b>Birmingham</b>						<b>Cleveland</b>					
Food.....	138.5	136.4	122.8	+1.5	+12.8	Food.....	131.5	128.1	114.2	+2.7	+15.1
Housing.....	106.5	106.5	105.5	0	+0.9	Housing.....	104.7	104.7	104.8	0	-0.1
Clothing.....	124.6	124.6	110.0	0	+13.3	Clothing.....	126.8	126.7	110.0	+0.1	+15.3
Fuel and light.....	107.4	105.8	104.3	+1.5	+3.0	Fuel and light.....	105.5	105.5	106.1	0	-0.6
Housefurnishings.....	117.8	117.8	112.4	0	+4.8	Housefurnishings.....	118.2	118.2	110.1	0	+7.4
Sundries.....	102.1	102.0	100.3	+0.1	+1.8	Sundries.....	103.4	103.3	101.7	+0.1	+1.7
Weighted Total.....	117.1	116.4	109.7	+0.6	+6.7	Weighted Total....	115.6	114.6	107.7	+0.9	+7.3
<b>Boston</b>						<b>Dallas</b>					
Food.....	136.0	133.3	115.1	+2.0	+18.2	Food.....	148.5	147.1	125.4	+1.0	+18.4
Housing.....	103.8	103.9	103.2	-0.1	+0.6	Housing.....	105.6	105.6	99.7	0	+5.9
Clothing.....	125.0	124.9	107.9	+0.1	+15.8	Clothing.....	122.7	122.5	106.8	+0.2	+14.9
Fuel and light.....	107.9	107.9	107.9	0	0	Fuel and light.....	85.9	85.9	100.0	0	-14.1
Housefurnishings.....	127.9	128.0	119.5	-0.1	+7.0	Housefurnishings.....	127.9	127.9	118.9	0	+7.6
Sundries.....	104.3	104.3	103.0	0	+1.3	Sundries.....	100.4	100.2	101.7	+0.2	-1.3
Weighted Total.....	118.7	117.7	108.8	+0.8	+9.1	Weighted Total....	118.9	118.4	109.9	+0.4	+8.2
<b>Bridgeport</b>						<b>Dayton</b>					
Food.....	135.7	134.8	119.4	+0.7	+13.7	Food.....	126.6	122.9	111.0	+3.0	+14.1
Housing.....	106.9	106.9	107.1	0	-0.2	Housing.....	105.1	105.1	109.6	0	-4.1
Clothing.....	124.5	124.3	106.0	+0.2	+17.5	Clothing.....	121.4	121.4	106.7	0	+13.8
Fuel and light.....	107.6	106.9	105.5	+0.7	+2.0	Fuel and light.....	105.5	105.5	105.2	0	+0.3
Housefurnishings.....	126.4	126.4	116.4	0	+8.6	Housefurnishings.....	127.5	127.5	120.9	0	+5.5
Sundries.....	110.0	109.9	103.1	+0.1	+6.7	Sundries.....	103.1	102.9	102.0	+0.2	+1.1
Weighted Total.....	120.4	120.0	110.5	+0.3	+9.0	Weighted Total....	114.4	113.2	107.9	+1.1	+6.0
<b>Buffalo</b>						<b>Denver</b>					
Food.....	136.1	132.1	119.3	+3.0	+14.1	Food.....	130.4	126.9	115.2	+2.8	+13.2
Housing.....	114.7	114.7	110.4	0	+3.9	Housing.....	105.6	105.6	102.3	0	+3.2
Clothing.....	118.5	117.7	105.0	+0.7	+12.9	Clothing.....	121.0	121.0	106.3	0	+15.3
Fuel and light.....	102.8	102.8	103.1	0	-0.3	Fuel and light.....	103.7	103.7	102.9	0	+0.8
Housefurnishings.....	125.5	125.4	118.5	+0.1	+5.9	Housefurnishings.....	122.5	122.5	110.7	0	+10.7
Sundries.....	106.7	106.6	103.2	+0.1	+3.4	Sundries.....	100.6	100.4	102.0	+0.2	-1.4
Weighted Total.....	119.3	117.9	110.5	+1.2	+8.0	Weighted Total....	113.8	112.7	107.0	+1.0	+6.4

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# COST OF LIVING OF WAGE EARNERS AND LOWER-SALARIED CLERICAL WORKERS IN 61 CITIES DURING SEPTEMBER AND OCTOBER, 1942—Continued

Source: THE CONFERENCE BOARD

Index Numbers, January, 1939=100

CITY	Index Numbers Jan., 1939=100			Percentage Changes		CITY	Index Numbers Jan., 1939=100			Percentage Changes	
	Oct. 1942	Sept. 1942	Oct. 1941	Sept. 1942 to Oct. 1942	Oct. 1941 to Oct. 1942		Oct. 1942	Sept. 1942	Oct. 1941	Sept. 1942 to Oct. 1942	Oct. 1941 to Oct. 1942
<b>Des Moines</b>						<b>Houston</b>					
Food.....	143.7	139.2	131.0	+3.2	+9.7	Food.....	133.6	133.2	117.7	+0.3	+13.5
Housing.....	105.3	105.3	102.2	0	+3.0	Housing.....	105.7	105.7	102.8	0	+2.8
Clothing.....	126.7	126.7	109.8	0	+15.4	Clothing.....	124.0	124.0	108.6	0	+14.2
Fuel and light.....	114.7	114.7	110.3	0	+4.0	Fuel and light.....	92.3	92.3	92.3	0	0
Housefurnishings.....	123.8	124.2	108.1	-0.3	+14.5	Housefurnishings.....	126.1	126.2	115.6	-0.1	+9.1
Sundries.....	102.4	102.1	100.8	+0.3	+1.6	Sundries.....	105.6	105.3	103.5	+0.3	+2.0
Weighted Total.....	120.4	118.9	112.5	+1.3	+7.0	Weighted Total.....	116.0	115.8	108.1	+0.2	+7.3
<b>Detroit</b>						<b>Huntington, W. Va.</b>					
Food.....	132.6	128.1	111.0	+3.5	+19.5	Food.....	134.9	132.8	n.a.	+1.6	n.a.
Housing.....	107.0	107.0	106.5	0	+0.5	Housing.....	111.7	111.7	n.a.	0	n.a.
Clothing.....	117.2	117.2	104.2	0	+12.5	Clothing.....	118.3	118.3	n.a.	0	n.a.
Fuel and light.....	109.8	109.8	108.8	0	+0.9	Fuel and light.....	100.0	100.0	n.a.	0	n.a.
Housefurnishings.....	133.2	133.2	121.1	0	+10.0	Housefurnishings.....	123.6	123.6	n.a.	0	n.a.
Sundries.....	101.7	101.5	100.6	+0.2	+1.1	Sundries.....	111.8	111.5	n.a.	+0.3	n.a.
Weighted Total.....	115.8	114.3	106.8	+1.3	+8.4	Weighted Total.....	119.8	119.0	n.a.	+0.7	n.a.
<b>Duluth</b>						<b>Indianapolis</b>					
Food.....	135.5	133.4	118.7	+1.6	+14.2	Food.....	137.2	133.9	121.8	+2.5	+12.6
Housing.....	100.6	100.5	100.1	+0.1	+0.5	Housing.....	107.9	107.9	108.2	0	-0.3
Clothing.....	124.2	123.6	106.0	+0.5	+17.2	Clothing.....	119.8	119.7	106.2	+0.1	+12.8
Fuel and light.....	100.7	99.5	100.7	+1.2	0	Fuel and light.....	104.7	104.5	104.4	+0.2	+0.3
Housefurnishings.....	129.1	129.1	117.1	0	+10.2	Housefurnishings.....	112.1	112.1	106.5	0	+5.3
Sundries.....	103.1	103.0	101.9	+0.1	+1.2	Sundries.....	106.2	105.9	104.7	+0.3	+1.4
Weighted Total.....	115.8	114.9	107.7	+0.8	+7.5	Weighted Total.....	117.1	116.0	110.3	+0.9	+6.2
<b>Erie, Pa.</b>						<b>Kansas City, Mo.</b>					
Food.....	136.4	135.0	115.7	+1.0	+17.9	Food.....	120.8	118.0	107.5	+2.4	+12.4
Housing.....	109.9	109.9	105.2	0	+4.5	Housing.....	101.7	101.7	101.4	0	+0.3
Clothing.....	132.2	132.1	108.5	+0.1	+21.8	Clothing.....	121.6	121.5	109.0	+0.1	+11.6
Fuel and light.....	107.5	107.5	107.0	0	+0.5	Fuel and light.....	110.6	110.6	110.0	0	+0.5
Housefurnishings.....	129.8	129.8	122.3	0	+6.1	Housefurnishings.....	120.9	120.9	111.7	0	+8.2
Sundries.....	107.5	107.4	106.4	+0.1	+1.0	Sundries.....	103.0	102.7	100.8	+0.3	+2.2
Weighted Total.....	122.5	122.0	110.6	+0.4	+10.8	Weighted Total.....	111.3	110.4	104.9	+0.8	+6.1
<b>Fall River</b>						<b>Lansing</b>					
Food.....	141.4	138.6	120.9	+2.0	+17.0	Food.....	148.4	143.9	127.5	+3.1	+16.4
Housing.....	104.3	104.3	101.9	0	+2.4	Housing.....	98.0	98.0	98.0	0	0
Clothing.....	118.8	118.8	105.1	0	+13.0	Clothing.....	124.0	124.1	105.5	-0.1	+17.5
Fuel and light.....	102.9	102.9	102.6	0	+0.3	Fuel and light.....	101.6	101.6	101.6	0	0
Housefurnishings.....	114.3	114.3	111.6	0	+2.4	Housefurnishings.....	129.5	129.5	118.7	0	+9.1
Sundries.....	105.8	105.8	104.8	0	+1.0	Sundries.....	104.9	104.7	103.7	+0.2	+1.2
Weighted Total.....	119.5	118.5	110.1	+0.8	+8.5	Weighted Total.....	118.9	117.5	110.0	+1.2	+8.1
<b>Front Royal, Va.</b>						<b>Los Angeles</b>					
Food.....	150.0	146.8	132.1	+2.2	+13.6	Food.....	141.4	137.1	119.5	+3.1	+18.3
Housing.....	92.0	92.0	93.7	0	-1.8	Housing.....	104.6	104.7	101.3	-0.1	+3.3
Clothing.....	127.9	127.5	116.0	+0.3	+10.3	Clothing.....	118.9	118.9	105.9	0	+12.3
Fuel and light.....	103.9	103.9	103.5	0	+0.4	Fuel and light.....	96.2	96.2	96.2	0	0
Housefurnishings.....	126.9	126.9	120.2	0	+5.6	Housefurnishings.....	123.8	123.8	117.5	0	+5.4
Sundries.....	105.7	106.3	101.7	-0.6	+3.9	Sundries.....	104.6	104.4	102.6	+0.2	+1.9
Weighted Total.....	117.3	116.6	110.2	+0.6	+6.4	Weighted Total.....	117.7	116.3	108.2	+1.2	+8.8
<b>Grand Rapids</b>						<b>Louisville</b>					
Food.....	138.7	131.8	122.7	+5.2	+13.0	Food.....	126.4	125.1	114.2	+1.0	+10.7
Housing.....	106.6	106.6	106.6	0	0	Housing.....	104.5	104.5	104.6	0	-0.1
Clothing.....	121.5	120.8	107.8	+0.6	+12.7	Clothing.....	119.4	119.1	109.5	+0.3	+9.0
Fuel and light.....	108.1	108.1	108.0	0	+0.1	Fuel and light.....	115.5	115.5	115.4	0	+0.1
Housefurnishings.....	132.7	132.7	119.6	0	+11.0	Housefurnishings.....	127.7	127.5	118.6	+0.2	+7.7
Sundries.....	104.9	104.6	101.3	+0.3	+3.6	Sundries.....	101.0	100.9	98.2	+0.1	+2.9
Weighted Total.....	118.6	116.4	110.7	+1.9	+7.1	Weighted Total.....	114.5	114.0	108.1	+0.4	+5.9

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## COST OF LIVING OF WAGE EARNERS AND LOWER SALARIED CLERICAL WORKERS IN 61 CITIES DURING SEPTEMBER AND OCTOBER, 1942—Continued

Source: THE CONFERENCE BOARD

Index Numbers, January, 1939=100

CITY	Index Numbers Jan., 1939=100			Percentage Changes		CITY	Index Numbers Jan., 1939=100			Percentage Changes	
	Oct. 1942	Sept. 1942	Oct. 1941	Sept. 1942 to Oct. 1942	Oct. 1941 to Oct. 1942		Oct. 1942	Sept. 1942	Oct. 1941	Sept. 1942 to Oct. 1942	Oct. 1941 to Oct. 1942
<b>Lynn</b>						<b>Muskegon</b>					
Food.....	140.7	137.3	121.1	+2.5	+16.2	Food.....	140.5	135.8	126.6	+3.5	+11.0
Housing.....	104.5	104.5	103.0	0	+1.5	Housing.....	115.2	115.2	116.2	0	-0.9
Clothing.....	123.3	123.3	109.5	0	+12.6	Clothing.....	122.6	122.5	103.9	+0.1	+18.0
Fuel and light.....	111.1	111.1	110.8	0	+0.3	Fuel and light.....	106.2	106.2	106.2	0	0
Housefurnishings.....	125.6	125.6	117.8	0	+6.6	Housefurnishings.....	118.8	118.8	111.5	0	+6.5
Sundries.....	105.3	105.2	104.4	+0.1	+0.9	Sundries.....	106.7	106.4	104.1	+0.3	+2.5
Weighted Total....	121.6	120.4	112.1	+1.0	+8.5	Weighted Total....	120.5	118.9	113.2	+1.3	+6.4
<b>Macon</b>						<b>Newark</b>					
Food.....	143.5	140.9	126.1	+1.8	+13.8	Food.....	128.2	126.5	116.7	+1.3	+9.9
Housing.....	115.9	115.9	118.8	0	-2.4	Housing.....	101.4	101.4	101.4	0	0
Clothing.....	116.6	116.4	105.7	+0.2	+10.3	Clothing.....	121.4	121.4	108.3	0	+12.1
Fuel and light.....	106.4	106.4	107.8	0	-1.3	Fuel and light.....	101.3	101.3	102.2	0	-0.9
Housefurnishings.....	129.3	129.3	122.9	0	+5.2	Housefurnishings.....	129.1	129.1	119.2	0	+8.3
Sundries.....	102.1	102.0	100.9	+0.1	+1.2	Sundries.....	103.4	103.3	101.3	+0.1	+2.1
Weighted Total....	119.9	119.0	112.9	+0.8	+6.2	Weighted Total....	114.1	113.5	108.0	+0.5	+5.6
<b>Manchester, N. H.</b>						<b>New Haven</b>					
Food.....	132.8	130.0	117.7	+2.2	+12.8	Food.....	137.3	135.8	119.5	+1.1	+14.9
Housing.....	103.0	103.0	102.1	0	+0.9	Housing.....	105.3	105.3	105.6	0	-0.3
Clothing.....	119.2	119.2	105.6	0	+12.9	Clothing.....	120.4	120.1	108.3	+0.2	+11.2
Fuel and light.....	105.5	105.5	105.5	0	0	Fuel and light.....	105.9	105.9	105.9	0	0
Housefurnishings.....	123.8	123.8	116.0	0	+6.7	Housefurnishings.....	124.4	124.4	115.2	0	+8.0
Sundries.....	104.4	104.3	102.5	+0.1	+1.9	Sundries.....	103.2	103.1	102.4	+0.1	+0.8
Weighted Total....	117.3	116.2	109.3	+0.9	+7.3	Weighted Total....	118.3	117.7	110.3	+0.5	+7.3
<b>Meadville, Pa.</b>						<b>New Orleans</b>					
Food.....	138.7	136.3	122.4	+1.8	+13.3	Food.....	140.5	137.9	122.6	+1.9	+14.6
Housing.....	110.8	110.8	103.8	0	+6.7	Housing.....	110.6	110.8	107.5	-0.2	+2.9
Clothing.....	117.7	117.5	109.1	+0.2	+7.9	Clothing.....	119.1	118.6	108.4	+0.4	+9.9
Fuel and light.....	105.7	105.7	105.4	0	+0.3	Fuel and light.....	103.2	103.2	99.9	0	+3.3
Housefurnishings.....	127.9	127.1	115.3	+0.6	+10.9	Housefurnishings.....	128.3	128.0	120.1	+0.2	+6.8
Sundries.....	107.4	107.4	101.8	0	+5.5	Sundries.....	101.8	101.7	102.5	+0.1	-0.7
Weighted Total....	119.3	118.5	110.0	+0.7	+8.5	Weighted Total....	120.7	119.6	112.1	+0.9	+7.7
<b>Memphis</b>						<b>New York</b>					
Food.....	140.5	137.7	122.2	+2.0	+15.0	Food.....	138.0	135.2	116.8	+2.1	+18.2
Housing.....	109.4	109.4	105.7	0	+3.5	Housing.....	100.7	100.7	100.4	0	+0.3
Clothing.....	120.8	120.9	105.6	-0.1	+14.4	Clothing.....	113.8	113.6	103.3	+0.2	+10.2
Fuel and light.....	102.8	102.6	103.1	+0.2	-0.3	Fuel and light.....	106.7	106.7	106.3	0	+0.4
Housefurnishings.....	127.5	127.5	112.6	0	+13.2	Housefurnishings.....	127.5	127.3	117.4	+0.2	+8.6
Sundries.....	106.5	106.3	103.0	+0.2	+3.4	Sundries.....	104.3	104.2	103.6	+0.1	+0.7
Weighted Total....	119.2	118.4	109.8	+0.7	+8.6	Weighted Total....	117.4	116.4	108.2	+0.9	+8.5
<b>Milwaukee</b>						<b>Oakland</b>					
Food.....	128.8	123.5	114.3	+4.3	+12.7	Food.....	143.7	143.3	119.6	+0.3	+20.2
Housing.....	103.3	103.3	101.8	0	+1.5	Housing.....	131.5	131.5	121.7	0	+8.1
Clothing.....	127.6	127.5	108.0	+0.1	+18.1	Clothing.....	123.1	122.9	108.9	+0.2	+13.0
Fuel and light.....	103.7	103.7	103.3	0	+0.4	Fuel and light.....	84.9	84.9	84.9	0	0
Housefurnishings.....	125.1	125.1	115.0	0	+8.8	Housefurnishings.....	119.4	119.2	110.5	+0.2	+8.1
Sundries.....	104.1	103.9	102.8	+0.2	+1.3	Sundries.....	101.6	101.5	99.9	+0.1	+1.7
Weighted Total....	114.8	113.2	107.2	+1.4	+7.1	Weighted Total....	122.6	122.4	110.8	+0.2	+10.6
<b>Minneapolis</b>						<b>Omaha</b>					
Food.....	139.2	134.1	117.6	+3.8	+18.4	Food.....	143.9	139.3	123.9	+3.3	+16.1
Housing.....	103.7	103.7	102.6	0	+1.1	Housing.....	100.6	100.6	99.4	0	+1.2
Clothing.....	124.8	124.7	109.7	+0.1	+13.8	Clothing.....	120.6	120.6	105.8	0	+14.0
Fuel and light.....	99.8	99.8	99.6	0	+0.2	Fuel and light.....	103.7	103.6	103.6	+0.1	+0.1
Housefurnishings.....	122.2	122.2	115.7	0	+5.6	Housefurnishings.....	129.5	129.4	122.8	+0.1	+5.5
Sundries.....	111.9	111.7	104.2	+0.2	+7.4	Sundries.....	104.8	104.5	103.2	+0.3	+1.6
Weighted Total....	119.3	117.8	108.6	+1.3	+9.9	Weighted Total....	118.8	117.3	110.0	+1.3	+8.0

Footnotes given on page 379



# COST OF LIVING OF WAGE EARNERS AND LOWER-SALARIED CLERICAL WORKERS IN 61 CITIES DURING SEPTEMBER AND OCTOBER, 1942—Continued

Source: THE CONFERENCE BOARD

Index Numbers, January, 1939=100

CITY	Index Numbers Jan., 1939=100			Percentage Changes		CITY	Index Numbers Jan., 1939=100			Percentage Changes	
	Oct. 1942	Sept. 1942	Oct. 1941	Sept. 1942 to Oct. 1942	Oct. 1941 to Oct. 1942		Oct. 1942	Sept. 1942	Oct. 1941	Sept. 1942 to Oct. 1942	Oct. 1941 to Oct. 1942
<b>Parkersburg, W. Va.</b>						<b>Rochester</b>					
Food.....	138.7	135.7	124.5	+2.2	+11.4	Food.....	136.8	135.3	118.0	+1.1	+15.9
Housing.....	104.2	104.2	101.4	0	+2.8	Housing.....	103.9	103.9	103.7	0	+0.2
Clothing.....	123.9	123.9	111.5	0	+11.1	Clothing.....	127.7	127.6	110.2	+0.1	+15.9
Fuel and light.....	94.4	94.4	94.4	0	0	Fuel and light.....	108.5	108.5	108.8	0	-0.3
Housefurnishings.....	124.6	124.6	114.1	0	+9.2	Housefurnishings.....	135.8	135.2	125.0	+0.4	+8.6
Sundries.....	105.5	105.3	102.9	+0.2	+2.5	Sundries.....	112.6	112.5	106.8	+0.1	+5.4
Weighted Total.....	119.4	118.3	111.4	+0.9	+7.2	Weighted Total.....	120.0	119.5	110.7	+0.4	+8.4
<b>Philadelphia</b>						<b>Sacramento</b>					
Food.....	143.1	139.2	124.4	+2.8	+15.0	Food.....	142.4	140.1	117.8	+1.6	+20.9
Housing.....	102.9	102.9	101.3	0	+1.6	Housing.....	104.1	104.1	104.1	0	0
Clothing.....	122.4	122.3	108.5	+0.1	+12.8	Clothing.....	121.1	120.9	108.3	+0.2	+11.8
Fuel and light.....	107.2	107.2	107.0	0	+0.2	Fuel and light.....	83.9	83.9	83.9	0	0
Housefurnishings.....	121.0	119.2	109.6	+1.5	+10.4	Housefurnishings.....	131.4	132.5	114.1	-0.8	+15.2
Sundries.....	103.3	103.2	102.0	+0.1	+1.3	Sundries.....	104.1	104.0	102.9	+0.1	+1.2
Weighted Total.....	120.5	119.0	111.3	+1.3	+8.3	Weighted Total.....	117.7	117.0	107.8	+0.6	+9.2
<b>Pittsburgh</b>						<b>St. Louis</b>					
Food.....	132.7	130.4	119.1	+1.8	+11.4	Food.....	138.3	134.5	119.6	+2.8	+15.6
Housing.....	105.7	105.7	103.4	0	+2.2	Housing.....	106.0	106.0	103.2	0	+2.7
Clothing.....	124.2	124.6	107.3	-0.3	+15.8	Clothing.....	122.9	122.6	108.7	+0.2	+13.1
Fuel and light.....	113.7	113.7	113.7	0	0	Fuel and light.....	119.1	119.1	118.4	0	+0.6
Housefurnishings.....	117.4	117.4	111.3	0	+5.5	Housefurnishings.....	118.2	118.2	113.0	0	+4.6
Sundries.....	105.2	105.1	104.3	+0.1	+0.9	Sundries.....	102.7	102.5	101.6	+0.2	+1.1
Weighted Total.....	117.5	116.7	110.2	+0.7	+6.6	Weighted Total.....	118.8	117.4	110.1	+1.2	+7.9
<b>Portland, Ore.</b>						<b>St. Paul</b>					
Food.....	134.6	132.4	117.8	+1.7	+14.3	Food.....	134.6	130.2	120.3	+3.4	+11.9
Housing.....	110.0	110.0	103.3	0	+6.5	Housing.....	100.9	100.9	100.7	0	+0.2
Clothing.....	126.8	126.8	112.4	0	+12.8	Clothing.....	119.9	119.9	107.2	0	+11.8
Fuel and light.....	98.8	98.8	98.8	0	0	Fuel and light.....	99.9	99.9	99.3	0	+0.6
Housefurnishings.....	119.0	119.0	106.6	0	+11.6	Housefurnishings.....	125.4	125.4	117.1	0	+7.1
Sundries.....	105.1	105.0	103.2	+0.1	+1.8	Sundries.....	107.9	107.7	102.6	+0.2	+5.2
Weighted Total.....	117.7	116.9	108.7	+0.7	+8.3	Weighted Total.....	116.0	114.6	108.4	+1.2	+7.0
<b>Providence</b>						<b>San Francisco</b>					
Food.....	143.7	140.4	123.2	+2.4	+16.6	Food.....	148.0	146.7	119.5	+0.9	+23.8
Housing.....	103.3	103.3	101.7	0	+1.6	Housing.....	98.3	98.3	97.8	0	+0.5
Clothing.....	117.7	117.7	104.1	0	+13.1	Clothing.....	121.5	121.4	107.0	+0.1	+13.6
Fuel and light.....	99.7	99.3	100.7	+0.4	-1.0	Fuel and light.....	84.9	84.9	84.9	0	0
Housefurnishings.....	125.3	125.3	119.3	0	+5.0	Housefurnishings.....	119.4	119.4	113.7	0	+5.0
Sundries.....	101.8	101.7	100.8	+0.1	+1.0	Sundries.....	102.0	101.8	100.5	+0.2	+1.5
Weighted Total.....	117.1	116.1	108.8	+0.9	+7.6	Weighted Total.....	118.4	117.9	106.8	+0.4	+10.9
<b>Richmond</b>						<b>Seattle</b>					
Food.....	139.4	136.7	123.0	+2.0	+13.3	Food.....	145.3	145.5	122.7	-0.1	+18.4
Housing.....	102.7	102.7	101.2	0	+1.5	Housing.....	114.5	114.5	108.4	0	+5.6
Clothing.....	118.4	118.4	107.3	0	+10.3	Clothing.....	118.5	118.5	104.7	0	+13.2
Fuel and light.....	103.9	103.9	102.2	0	+1.7	Fuel and light.....	110.1	110.1	104.1	0	+5.8
Housefurnishings.....	120.5	120.5	110.9	0	+8.7	Housefurnishings.....	119.8	119.8	108.5	0	+10.4
Sundries.....	103.2	103.1	102.0	+0.1	+1.2	Sundries.....	106.4	106.3	105.4	+0.1	+0.9
Weighted Total.....	116.2	115.3	109.0	+0.8	+6.6	Weighted Total.....	122.0	122.0	111.3	0	+9.6
<b>Roanoke, Va.</b>						<b>Spokane</b>					
Food.....	141.2	139.8	124.9	+1.0	+13.1	Food.....	129.4	128.7	114.4	+0.5	+13.1
Housing.....	119.2	119.2	122.8	0	-2.9	Housing.....	102.2	102.2	99.9	0	+2.3
Clothing.....	113.7	113.7	107.8	0	+5.5	Clothing.....	121.5	121.5	107.4	0	+13.1
Fuel and light.....	99.7	99.7	98.9	0	+0.8	Fuel and light.....	99.2	99.2	98.1	0	+1.1
Housefurnishings.....	121.9	121.9	114.7	0	+6.3	Housefurnishings.....	132.3	132.3	115.5	0	+14.5
Sundries.....	109.7	109.5	104.0	+0.2	+5.5	Sundries.....	107.4	107.3	106.1	+0.1	+1.2
Weighted Total.....	120.9	120.4	114.0	+0.4	+6.1	Weighted Total.....	115.3	115.0	107.6	+0.3	+7.2

Footnotes given on page 379



# COST OF LIVING OF WAGE EARNERS AND LOWER-SALARIED CLERICAL WORKERS IN 61 CITIES DURING SEPTEMBER AND OCTOBER, 1942—Continued

Source: THE CONFERENCE BOARD

Index Numbers, January, 1939 = 100

CITY	Index Numbers Jan., 1939 = 100			Percentage Changes		CITY	Index Numbers Jan., 1939 = 100			Percentage Changes	
	Oct. 1942	Sept. 1942	Oct. 1941	Sept. 1942 to Oct. 1942	Oct. 1941 to Oct. 1942		Oct. 1942	Sept. 1942	Oct. 1941	Sept. 1942 to Oct. 1942	Oct. 1941 to Oct. 1942
<b>Syracuse</b>						<b>Wilmington, Del.</b>					
Food.....	147.7	145.5	129.4	+1.5	+14.1	Food.....	144.0	140.9	122.4	+2.2	+17.6
Housing.....	116.2	116.2	107.3	0	+8.3	Housing.....	104.0	104.0	103.1	0	+0.9
Clothing.....	126.2	125.8	112.1	+0.3	+12.6	Clothing.....	124.7	124.5	110.2	+0.2	+13.2
Fuel and light.....	103.8	103.4	103.7	+0.4	+0.1	Fuel and light.....	102.4	102.4	103.1	0	-0.7
Housefurnishings.....	147.4	146.9	127.6	+0.3	+15.5	Housefurnishings.....	115.4	115.4	109.8	0	+5.1
Sundries.....	110.0	109.8	105.7	+0.2	+4.1	Sundries.....	100.3	100.3	99.3	0	+1.0
Weighted Total....	125.3	124.5	114.5	+0.6	+9.4	Weighted Total....	118.9	117.9	109.5	+0.8	+8.6
<b>Toledo</b>						<b>Youngstown</b>					
Food.....	144.4	137.7	115.3	+4.9	+25.2	Food.....	137.1	133.1	119.4	+3.0	+14.8
Housing.....	109.0	109.0	102.0	0	+6.9	Housing.....	105.2	105.2	108.6	0	-3.1
Clothing.....	122.6	122.6	106.5	0	+15.1	Clothing.....	125.6	125.6	112.7	0	+11.4
Fuel and light.....	108.3	108.3	107.8	0	+0.5	Fuel and light.....	109.9	109.9	109.5	0	+0.4
Housefurnishings.....	121.5	120.8	112.0	+0.6	+8.5	Housefurnishings.....	131.8	131.8	113.1	0	+16.5
Sundries.....	103.7	103.6	102.6	+0.1	+1.1	Sundries.....	106.5	106.3	105.3	+0.2	+1.1
Weighted Total....	119.8	117.8	107.4	+1.7	+11.5	Weighted Total....	120.8	119.4	112.6	+1.2	+7.3
<b>Wausau, Wis.</b>						rRevised n.a. Not available pPreliminary "Fuel and light" is based upon retail prices of 55 kilowatt hours of electricity, 1,000 cubic feet of natural gas or 2,000 cubic feet of manufactured gas, and coal or other fuel for heating.					
Food.....	140.5	137.1	122.2	+2.5	+15.0						
Housing.....	102.7	102.7	102.7	0	0						
Clothing.....	124.8	124.3	108.1	+0.4	+15.4						
Fuel and light.....	101.4	101.4	101.7	0	-0.3						
Housefurnishings.....	123.6	123.6	118.7	0	+4.1						
Sundries.....	102.9	102.7	101.7	+0.2	+1.2						
Weighted Total....	119.1	117.9	110.4	+1.0	+7.9						

## COST OF LIVING IN 9 CITIES, SEPTEMBER AND OCTOBER, 1942

CITY	Sept. 1942 to Oct. 1942		CITY	Sept. 1942 to Oct. 1942		CITY	Sept. 1942 to Oct. 1942	
	Percentage Changes	Oct. 1941 to Oct. 1942		Percentage Changes	Oct. 1941 to Oct. 1942		Percentage Changes	Oct. 1941 to Oct. 1942
<b>Anderson, Ind.</b>			<b>Green Bay, Wis.</b>			<b>Rockford, Ill.</b>		
Food.....	+2.3	+12.6	Food.....	+3.0	n.a.	Food.....	+3.6	+12.8
Housing.....	0	-0.2	Housing.....	0	n.a.	Housing.....	0	+2.7
Clothing.....	0	+17.1	Clothing.....	-0.1	n.a.	Clothing.....	+0.2	+9.8
Fuel and light.....	0	0	Fuel and light.....	+0.4	n.a.	Fuel and light.....	0	+0.8
Housefurnishings.....	0	+14.0	Housefurnishings.....	0	n.a.	Housefurnishings.....	-0.8	+15.4
Sundries.....	+0.2	+2.5	Sundries.....	+2.1	n.a.	Sundries.....	0	+2.5
Weighted Total....	+0.8	+7.5	Weighted Total....	+1.6	n.a.	Weighted Total....	+1.4	+7.5
<b>Evansville, Ind.</b>			<b>Joliet, Ill.<sup>1</sup></b>			<b>Saginaw, Mich.</b>		
Food.....	+2.5	+17.3	Food.....	+4.2	+13.3	Food.....	+1.0	+14.4
Housing.....	0	-1.2	Housing.....	0	+1.2	Housing.....	0	+1.7
Clothing.....	+0.2	+13.3	Clothing.....	+0.1	+11.0	Clothing.....	+0.1	+11.5
Fuel and light.....	+0.8	+4.5	Fuel and light.....	+0.1	+0.9	Fuel and light.....	0	0
Housefurnishings.....	-0.2	+16.2	Housefurnishings.....	0	+15.2	Housefurnishings.....	-0.1	+10.3
Sundries.....	+0.2	+3.0	Sundries.....	-0.1	+3.5	Sundries.....	+0.1	+1.6
Weighted Total....	+0.9	+7.6	Weighted Total....	+1.3	+7.8	Weighted Total....	+0.4	+7.1
<b>Flint, Mich.</b>			<b>Lewistown, Pa.</b>			<b>Trenton, N. J.</b>		
Food.....	+6.3	+20.0	Food.....	+2.5	+16.0	Food.....	+2.0	+13.3
Housing.....	0	-0.1	Housing.....	0	+3.8	Housing.....	0	+3.0
Clothing.....	0	+16.9	Clothing.....	0	+10.9	Clothing.....	0	+24.9
Fuel and light.....	0	-0.3	Fuel and light.....	0	+0.2	Fuel and light.....	0	+0.2
Housefurnishings.....	0	+11.6	Housefurnishings.....	+0.3	+10.1	Housefurnishings.....	+0.2	+8.9
Sundries.....	+0.2	+3.9	Sundries.....	+0.5	+4.9	Sundries.....	+0.7	+3.5
Weighted Total....	+2.2	+9.8	Weighted Total....	+1.1	+9.2	Weighted Total....	+0.8	+9.3

<sup>1</sup>Includes Lockport and Rockdale



## Strikes and Turnover Rates

A DECLINE in the number of strikes in all manufacturing industries was noticeable in September. Only 290 strikes occurred, as compared to 350 the month before, and 470 in September a year ago, according to preliminary estimates released by the United States Bureau of Labor Statistics.

The number of workers involved and the number of man days lost were the same for both August and September so that the number of workers involved per strike and the average length of time lost per strike increased. Workers involved totaled 80,000 and man days lost 450,000.

During September a decline in strikes was also noticeable in war industries. This was true not only of the number of strikes beginning in the month but also of the number in progress during the month. There were 156 new strikes in September and a carry-over of 31 from the previous month. In August, there were in progress 195 new strikes and 34 strikes originating previously. Despite the fact that the number of strikes declined, both the number of men involved and the man days lost increased. In September, about 1,500 more men than in August were involved in strikes during the month, and also about 1,500 more men were involved in all

strikes in progress in war industries. This resulted in an increase of approximately 25% in the number of workers involved per strike.

### STRIKES IN WAR INDUSTRIES

Source: Joint Committee of Representatives from War, Navy, and Labor Departments, Maritime Commission, War Labor Board, and War Production Board

Date	War Strikes		Employees Involved (000)		Man Days Idle (000)
	Number Beginning in Month	Number in Progress During Month	In Strikes Beginning in Month	In Strikes in Progress During Month	
1941 December 8-31....	7	...	2	...	59
1942 January.....	27	...	12	...	49
February.....	50	...	25	...	119
March.....	66	...	35	...	167
April.....	91	...	26	...	174
May.....	125	144	45	48	137
June.....	171	192	79	85	255
July.....	198	222	75	81	234
August.....	195	229	70	79	266
September.....	156	187	72	81	319

Although man days put into war production increased from 300 million in August to 332 million in September,

### LABOR DISPUTES ORIGINATING DURING OCTOBER, 1942<sup>1</sup>

Organization Affected	Location	Date Begun	Date Ended	Number of Workers Involved
<b>Manufacturing, Building, and Mining</b>				
Anthracite Coal Miners <sup>2</sup> .....	Lansford, Pa.	Oct. 7	..	6,500
Armstrong Cork Company (two plants).....	Pittsburgh, Pa.	7	Oct. 7	900
Chrysler Corporation (Marine Engine Division).....	Detroit, Mich.	9	10	2,000
Ford Motor Company (River Rouge Plant).....	Detroit, Mich.	27	28	2,100
Lehigh and Wilkes Barre Coal Company <sup>3</sup> .....	Wilkes Barre, Pa.	13	17	1,700
Republic Steel Corporation <sup>4</sup> .....	East Hartford, Conn.	6	..	n.a.
South Portland Shipbuilding Corporation.....	South Portland, Me.	10	12	4,000
Steel Improvement and Forge Company.....	Cleveland, Ohio	5	12	213
Susquehanna Collieries Company.....	Glen Lyon, Pa.	1	..	1,300
Western Cartridge Company (East Alton Manufacturing Company).....	East Alton, Ill.	10	13	n.a.
<b>Miscellaneous</b>				
Adelphia Hotel (Maintenance employees).....	Philadelphia, Pa.	6	..	150
J. S. Bache and Company <sup>5</sup> .....	New York, N. Y.	2	..	150
Municipal Employees <sup>6</sup> .....	Cincinnati, Ohio	28	Nov. 3	2,100
Municipal Employees <sup>7</sup> .....	Newark, N. J.	1	Oct. 6	900
Municipal Employees <sup>8</sup> .....	Philadelphia, Pa.	6	a	1,700
Newspaper Workers <sup>9</sup> .....	Clarksburg, W. Va.	13	..	20
Pennsylvania Liquor Control Board (Store clerks).....	Pennsylvania	b	13	800

<sup>1</sup>Incomplete report based upon available information published in the press.

<sup>2</sup>1,500 miners quit on October 6 at an Edison Coal Company colliery over a wage dispute. They were joined by 5,000 miners from ten mines of the Lehigh Navigation Coal Company on October 7.

<sup>3</sup>Henry and Prospect Collieries.

<sup>4</sup>Carpenters, plumbers, and truck drivers.

<sup>5</sup>Stock Exchange firm.

<sup>6</sup>On October 28, 1,500 water workers went on strike. They were joined on October 30 by 600 gas maintenance workmen.

<sup>7</sup>Street cleaning, water bureau, street repair, and refuse collection employees.

<sup>8</sup>Street cleaning, ash and garbage collection workers.

<sup>9</sup>Typographical employees tied up production of *The Exponent*, the morning newspaper, and *The Telegram*, the evening newspaper.

<sup>a</sup>Workers returned to their full schedule during the week of October 12, but again went out on strike on October 23.

<sup>b</sup>Union members were suspended in Philadelphia and Pittsburgh on October 5, following a one-day work stoppage which they conducted for higher wages on October 3. On October 7, clerks in 6 more counties walked out in support. Over 200 stores were affected.

n.a. Not available.



## STRIKES, TURNOVER RATES AND PRODUCTION

Date	All Occupations			Production <sup>1</sup> (1935-1939 =100)	Manufacturing				
	Strikes <sup>1</sup>				Turnover Rates per 100 Employees <sup>1</sup>				
	Beginning in Period		Man Days Idle During Period (Thousand)		Separations				Accessions
	Number	Workers Involved (Thousand)			Total	Quits and Miscellane- ous	Discharges	Lay-offs	
1929.....	921	289	5,352	110	75.23 <sub>a</sub>	41.01 <sub>a</sub>	9.04 <sub>a</sub>	25.17 <sub>a</sub>	67.61 <sub>a</sub>
1930.....	687	183	3,317	90	59.65	18.64	5.04	35.97	37.02
1931.....	810	342	6,893	74	48.38	11.39	2.72	34.27	36.59
1932.....	841	324	10,502	57	51.98	8.34	1.96	41.68	39.82
1933.....	1,695	1,168	16,872	68	45.38	10.66	2.49	32.23	65.20
1934.....	1,856	1,467	19,592	74	49.17	10.67	2.24	36.26	56.91
1935.....	2,014	1,117	15,456	87	42.74	10.37	2.29	30.08	50.05
1936.....	2,172	789	18,902	104	40.35	13.02	2.63	24.70	52.16
1937.....	4,740	1,861	28,425	113	53.11	14.97	2.38	35.76	42.59
1938.....	2,772	688	9,148	87	49.22	7.46	1.29	40.47	46.16
1939.....	2,613	1,171	17,812	108	37.71	9.52	1.52	26.67	48.85
1940.....	2,508	577	6,701	124	40.27	12.54	1.84	25.89	52.72
1941.....	4,288	2,363	23,048	161	46.68	27.78	3.04	15.86	64.51
1941 September.....	470	295	1,953	172	4.53	3.06	0.31	1.16	5.16
October.....	432	198	1,925	173	4.13	2.44	0.28	1.41	4.87
November.....	271	223	1,397	173	3.51	1.83	0.24	1.44	3.91
December.....	143	30	476	171	4.71	2.27	0.29	2.15	4.76
1942 January.....	155	33	390	173	5.10	3.19	0.30	1.61	6.87
February.....	190	57	425	175	4.82	3.14	0.29	1.39	6.02
March.....	240	65	450	177	5.36	3.84	0.33	1.19	6.99
April.....	310	55	375	180	6.12	4.46	0.35	1.31	7.12
May.....	275	58	325	183	6.54	4.73	0.38	1.43	7.29
June.....	350	100	550	185	6.46	4.87	0.38	1.21	8.25
July.....	400	88	450	189	n.a.	n.a.	n.a.	n.a.	n.a.
August.....	350	80	450	196	n.a.	n.a.	n.a.	n.a.	n.a.
September.....	290	80	450	201	n.a.	n.a.	n.a.	n.a.	n.a.

NOTE—For back figures see *The Conference Board Economic Record*, June, 1942, p. 194. <sup>1</sup>United States Bureau of Labor Statistics. <sup>2</sup>Federal Reserve annual production data are averages of monthly figures. <sub>a</sub>June to December. <sub>p</sub>Preliminary. <sub>n.a.</sub>Not available. <sub>r</sub>Revised

or 10.7%, man days lost increased from 266,353 to 318,892, or 19.7%. The percentage of time lost to time worked thus rose from 0.09% to 0.1%.

## CASES OF THE NATIONAL WAR LABOR BOARD

JANUARY 13-SEPTEMBER 30, 1942

Source: National War Labor Board

Classification	June	July	Aug.	Sept.	Total Jan. 13- Sept. 30
Total Number of Cases Received.....	61	76	113	111	571
Number of workers involved (000).....	n.a.	n.a.	n.a.	220	2,823
Received from National Defense Mediation Board.....	...	...	...	...	23
New cases certified.....	61	76	113	111	547
Taken by motion of board.....	...	...	...	...	1
Total Number of Cases Closed.....	35	28	60	58	260
Number of workers involved (000).....	n.a.	n.a.	n.a.	231	1,414
Agreement through mediation.....	11	12	14	14	81
Voluntary arbitration.....	1	1	3	2	21
Board decision.....	17	11	40	35	129
Other disposition.....	6	4	3	7	29

n.a. Not available

Figures on the cases of the National War Labor Board have again been made public. Since the creation of the board in January, 1942, its members have settled 260 cases involving 1,414,000 workers. During this period, the board received 571 cases, of which it settled fewer than half. Since its jurisdiction now covers all employees in all industries and its approval is required for all wage increases, its backlog of cases will probably continue to increase.

An increasing number of participants are requesting a decision by the full board. In September, 60.3% of the cases were settled this way, and in August, 66.7%. In no other month did the relative proportion approach these high figures. In September, 14 cases were settled by an agreement through mediation, 2 by voluntary arbitration, 35 by board decision, and 7 by other means of disposition.

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## Employment and Unemployment

**D**URING SEPTEMBER, more than a million new workers found employment on farms, in industry, and in military service. Despite these additions, current and anticipated labor shortages were reported in an increasing number of areas and in a growing number of key industries.<sup>1</sup> Almost four million more persons are already at work or in the armed forces than would be a part of the labor market under peacetime conditions. Universal service legislation, blanket extension of the work week under modified overtime provisions, compulsory registration of women and special deferment policies for essential workers are among the remedies currently proposed to ease this manpower strain.

The total of all civilian and military employment in September is placed at an all-time peak of 59.2 million. This is 10 million more than were at work two years ago and fully 4.5 million more than in September, 1941. Manufacturing industries added about 250,000 to their payrolls during the month, and more than 600,000 were absorbed by the service industries, including the fighting services. Seasonal expansion in agriculture and retail trade and the opening of educational institutions added to the drain upon the nation's labor reserves.

About one of every two new recruits to non-agricultural civilian payrolls since September, 1940, has been a woman. In addition, Census estimates reveal that women currently account for one of every six farm workers at fall harvesting, as against the previous peacetime ratio of one in eight. About 1.2 million women have been added to industrial employment since the start of this year, according to these estimates.

### SEPTEMBER TRENDS

Manufacturing, the service industries, and the distributive trades were the only major non-agricultural groups in which employment continued to advance in September. Curtailment of private building cut the number engaged in construction by almost 100,000. Employment in mining fell off for the second successive month and remained almost 35,000 below the comparable 1941 level. Slightly lower totals were also reported in public utilities. Emergency employment by WPA, CCC, and NYA was further decreased by 70,000 during the month, and totaled approximately 500,000, compared with 1.5 million and 2.2 million, respectively, one and two years ago.

The seasonal gain of 53,000 in the distributive trades,

<sup>1</sup>See *Road Maps of Industry*, No. 359, for the geographic distribution of 66 areas in which male labor shortages have been reported by War Manpower Commission, as well as an additional 64 areas in which shortages are anticipated. On September 8, WMC designated as a "critical labor area" twelve Western states: Arizona, Colorado, Idaho, Montana, Utah, Wyoming, California, Nevada, Oregon, Washington, New Mexico and Texas.

EMPLOYMENT AND UNEMPLOYMENT, SEPTEMBER, 1942  
In Thousands

Distribution of Labor Force	1940	1941	1942		
	September		July	August <sup>1</sup>	September <sup>1</sup>
Total unemployment. . .	5,207	289	....	....	....
Excess of employment over economic labor force. . .	....	....	1,860	2,700	3,858
Total employment (including armed forces). .	49,226	54,586	57,097	57,975	59,168
Agriculture. . . . .	11,959	11,704	11,629	11,319	11,656
Forestry and fishing. . . .	224	232	222	220	217
Total industry. . . . .	17,664	20,884	21,611	22,168	22,319
Extraction of minerals. . .	761	806	786	781	772
Manufacturing. . . . .	11,693	13,942	14,689	15,065	15,322
Construction. . . . .	2,194	2,798	2,783	2,952	2,861
Transportation. . . . .	2,047	2,291	2,305	2,323	2,323
Public utilities. . . . .	968	1,047	1,047	1,047	1,042
Trade, distribution and finance. . . . .	7,633	7,932	7,461	7,422	7,475
Service industries (including armed forces). . . .	10,736	12,672	14,942	15,581	16,211
Miscellaneous industries and services. . . . .	1,010	1,162	1,233	1,266	1,289
Emergency employment <sup>2</sup> WPA, CCC, and NYA (out-of-school) <sup>3</sup> . . . . .	2,198	1,504	656	572	502

<sup>1</sup>Preliminary

<sup>2</sup>Not included in employment total.

<sup>3</sup>Since July 1, 1942, NYA projects are officially designated as war training programs rather than work-relief projects.

the first since the start of the year, was heavily concentrated in the apparel field. The marked downward trend in the distribution of durable goods continued and was accompanied by a contra-seasonal decrease in employment in wholesale trade. Distribution and mining were the only major industrial groups in which the number at work was significantly lower than in 1941.

Non-military employment by the Federal Government was again increased by almost 100,000 during September, predominantly in areas outside the District of Columbia. The total number of civilians in regular federal services was 2.6 million, or fully a million more than in September, 1941. Local and state government personnel was also further expanded with the reopening of schools and colleges.

Labor shortages kept the number at work on the nation's farms in September lower than the comparable total for 1929 or any other year since. Women and older men in the farm family labor reserve are helping to save fall crops and livestock production of record-breaking proportions. A year ago farmers took on fully 250,000 hired workers to meet their harvest loads. Between September 1 to October 1, 1942, only 69,000 hired workers were recruited. The farm labor supply is at its lowest level since World War I.

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## Wage-increase Announcements<sup>1</sup>, October 1 to October 31

Source: Daily Press and Various Periodicals

Company	Location	Amount of Increase	Number Affected	Remarks
Aluminum Company of America <sup>2</sup> .....	New Kensington, Pa.	5¢/hr.	.....	Retroactive to September 20, 1942
	Fairfield, Conn.	6¢/hr.	.....	
	Edgewater, N. J.	5¢/hr.	.....	
Baldwin Locomotive Works.....	Eddystone, Pa.	5½¢/hr.	.....	New hiring rate: 78¢/hr.
Barrett Company.....	Edgewater, N. J.	5¢/hr.	.....	To chemical workers
Bellman Brook Bleachery.....	Fairview, N. J.	4¢/hr.	.....	Retroactive to July 1, 1942
Bunte Candy Company.....	Chicago, Ill.	5¢/hr.	750	
Chrysler Corporation.....	All plants	4¢/hr.	90,000	
Connecticut Telephone & Electric Corporation.	Meriden, Conn.	5¢/hr.	.....	To all employees. New hiring rates: men, 65¢/hr., after 30 days, 70¢/hr.; women, 55¢/hr., after 30 days, 60¢/hr.
Eastern Massachusetts Street Railway Company <sup>3</sup>	Boston, Mass.	6¢/hr.	1,340	To all employees. New rates include: car and bus operators and collectors—first 3 months of service, 91½¢/hr.; next 9 months, 94½¢/hr.; after 1 year, 97¢/hr. Blacksmiths, 97½¢/hr. Electricians, 97½¢/hr. Painters, 97½¢/hr. Watchmen, 88½¢/hr.
Glenn L. Martin Company.....	Baltimore, Md.	6 2/3%	40,000	Approved by Secretary of Labor to compensate for losses resulting from Executive Order on overtime compensation
Murray Corporation of America <sup>3</sup> .....	Detroit, Mich.	4¢/hr.	1,500	Both retroactive to June 1, 1942
		10¢/hr.		To tool and die makers
RCA Manufacturing Company <sup>3</sup> .....	Camden, N. J.	5½¢/hr.	.....	To hourly paid plant employees, cafeteria workers and guards
Tennessee Coal, Iron and Railroad Company..	Birmingham, Ala.	5½¢/hr.	5,000	To production and maintenance workers
Underwood Elliott Fisher Company.....	Hartford, Conn.	4¢/hr.	2,500	Retroactive to May 26, 1942
Carpenters <sup>3</sup> .....	Poughkeepsie, N. Y.	25¢/hr.	.....	New hourly rate: \$1.50
Cigar Workers <sup>3</sup> .....	Tampa, Fla.	7½%	5,500	
Lead, Copper and Zinc Mine Workers.....	Utah and Idaho	50¢ to \$1/day	10,000	Retroactive to May 15, 1942, in Idaho and to July 1, 1942, in Utah
15 Paint Manufacturers.....	San Francisco, Cal.	7½¢/hr.	225	Retroactive to April 25, 1942
20 Tanning Establishments.....	Fulton County, N. Y.	5½¢/hr.	1,100	
Toolmakers and Diemakers.....	Detroit, Mich.	6¢/hr.	30,000	To tool and die workers in General Motors and Chrysler plants
		10¢/hr.		To tool and die workers in Ford Motor plants
				Retroactive dates: General Motors Corp., April 28. Chrysler Corp. and Ford Motor Company, June 1. Minimum rates for diemakers raised to \$1.40/hr.
Truck Drivers.....	New York City	\$5/wk.	15,000	Retroactive to September 1, 1942

<sup>1</sup>Includes salary-increase announcements.<sup>2</sup>Approved by War Labor Board pending on date of announcement.<sup>3</sup>Awarded by State Board of Conciliation and Arbitration.

## Chronology of Events Affecting Labor Relations, October 1 to October 31

### October

- 1 WLB Denies Wage Increase**—For first time since its creation, War Labor Board disapproves a wage increase negotiated through collective bargaining on ground that increase would exceed its "15%" formula.
- 2 Anti-inflation Law Signed**—President signs anti-inflation law three hours after its enactment by Congress.
- 3 Anti-inflation Law Implemented**—President issues stabilization order, giving effect to anti-inflation program, and appoints Supreme Court Justice James F. Byrnes as Director of Office of Economic Stabilization with large powers intended to arrest inflation.

**Independent Union Federation Established**—Under the name of Confederated Unions of America, a number of independent unions establish a new federation.

- 5 AFL Annual Convention Opens**—AFL Convention opens in Toronto with President Green lauding labor's war effort and expressing hopes of peace with CIO.
- 6 Unemployment Insurance Rules Tightened**—State of Connecticut begins reducing its unemployment compensation rolls by removing persons who are too particular regarding acceptance of jobs in war industries. Several hundred names have already been removed, at an estimated saving of \$6,000 a week.



- 7 *UMW Leaves CIO*—At the request of President John L. Lewis, the United Mine Workers Union severs its connection with the CIO, but reserves the right to bargain for reaffiliation with the CIO, AFL, or any other labor group.
- 8 *Small Employers Exempted from Wage Order*—WLB rules that employers with not more than 8 persons on their payroll are exempt from the provisions of the President's wage stabilization order of October 3.
- 9 *Smokers Cause Walkout*—Over 2,000 workers in a Chrysler plant walk out in protest to a disciplinary lay-off of 400 employees who participated in prearranged plan to violate rules prohibiting smoking during working hours.
- 11 *Navy Would Bar Strikers from War Work*—In connection with strike at the Steel Improvement and Forge Company in Cleveland, the Navy recommends to WLB that strikers in an unauthorized walkout be deprived of future employment in war production industries.  
*UMW Enlarges Field*—United Mine Workers, in annual convention, amend constitution to empower president to organize not only miners and processors of coal but workers in all other industries "on the American continent."  
*Petrillo Gains Point*—Federal District Court dismisses petition of Department of Justice for an injunction to end union's ban on the recording of music for radio, juke boxes and other public reproductions. Judge holds that it is essentially a labor dispute and does not come under the anti-trust law.
- 12 *WLB Denies Ford Raise*—War Labor Board unanimously rejects demand of UAW for \$1 a day pay increase for 115,000 Ford Company employees on ground that company has already met its cost of living adjustment requirement.
- 13 *Individual Increases Valid*—War Labor Board announces that employers may make individual wage adjustments without its approval if such adjustments fall within certain prescribed limitations.
- 14 *Court Forbids Output Restriction*—Florida Circuit Court judge permanently restrains a labor union from punishing its members for disregarding union order to avoid speeding up war jobs. Army officials had asked work to be speeded up by using paint spray machines, the use of which had been forbidden by union.
- 16 *Byrnes Extends Wage Order*—OES Director Byrnes extends economic controls to salaries under \$5,000 a year. He states that he has given WLB authority to pass upon any pay increases to workers earning below \$3,000 a year and to regulate increases to others receiving less than \$5,000 a year if their compensation is fixed by collective bargaining agreements. The Treasury Department will regulate salaries of more than \$3,000 a year which are not controlled by WLB.
- 20 *NLRB Voids Company's Closed Shop*—Labor Relations Board sets aside a closed shop contract on grounds of fraud and conspiracy between an employer and a labor organizer.
- 21 *Union Opposes Negro Promotion*—AFL Boilermakers' Union in Portland shipyards of Henry Kaiser threatens to "take matters into our own hands" unless the Kaiser Company revokes promotions of eight negroes.
- 22 *Labor Pirating Discouraged*—WLB issues general order prohibiting employer from hiring workers at rates higher than those previously established in his plant for workers of similar skill and productive ability. This ruling is intended to prevent companies from offering high starting rates to attract labor from other companies.
- 23 *Amendment of 40-Hour Week Asked*—Senator Reynolds (N. C.) proposes for the duration to raise to 56 hours the standard work week at "straight time." Compulsory overtime would begin after this point.
- 26 *Contested Wage-hour Case Stands*—United States Supreme Court refuses to reconsider its decision in the case of *The Dallas Morning News*, in which it ruled that a company paying a regular weekly salary above the normal required by the Wage-Hour Law may compute overtime on the basis of an hourly wage fixed by contract with the employees.
- 27 *Farm Labor Frozen*—War Manpower Commission announces the freezing of all necessary workers on the nation's livestock, poultry and dairy farms to insure sufficient agricultural products.  
*Wage-salary Order Issued*—OES Director Byrnes issues regulations regarding stabilization of wages and salaries and the limitation of salaries to \$25,000 net.
- 28 *Wage Control Machinery Set Up*—WLB announces that more than 100 field offices of Wage and Hour Division will be used in administration of wage stabilization. These offices will rule in the first instance on whether proposed wage increases are valid.
- 29 *Draft of Engineers Protested*—President of Aircraft War Production Council, East Coast, who also is president of Curtiss-Wright Corporation, states that the draft is making serious inroads on aviation personnel and reports have been received of induction of irreplaceable engineers.  
*Labor Draft Postponed*—Following conferences of AFL and CIO presidents at White House, proposal for a labor draft is understood to be shelved for time being.
- 30 *WLB Jurisdiction Contested*—J. S. Bache, brokers, contest the jurisdiction of WLB in connection with a strike of employees on ground that activity is not connected with war effort.
- 31 *Anti-labor Pirating Agreement Reached*—Employers in the Buffalo, New York, area reach agreement for best utilization of manpower and consent to forego any attempt to attract employees from other plants in the neighborhood.